



**REPORT OF ASSECO SOUTH EASTERN EUROPE GROUP  
FOR THE PERIOD OF 6 MONTHS ENDED  
30 JUNE 2015**

**INTERIM CONDENSED CONSOLIDATED  
FINANCIAL STATEMENTS  
OF ASSECO SOUTH EASTERN EUROPE GROUP  
INCLUDING THE REPORT OF  
INDEPENDENT CERTIFIED AUDITORS**

**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
OF ASSECO SOUTH EASTERN EUROPE GROUP  
INCLUDING THE REPORT OF INDEPENDENT CERTIFIED AUDITORS  
FOR THE PERIOD OF 6 MONTHS ENDED 30 JUNE 2015**

**Table of contents**

	<b>Page</b>
FINANCIAL HIGHLIGHTS OF ASSECO SOUTH EASTERN EUROPE GROUP.....	4
INTERIM CONDENSED CONSOLIDATED INCOME STATEMENT .....	5
INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME .....	5
INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION.....	6
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY.....	7
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS .....	8
SUPPLEMENTARY INFORMATION AND EXPLANATORY NOTES .....	9
I. GENERAL INFORMATION.....	9
II. ORGANIZATIONAL STRUCTURE OF ASSECO SOUTH EASTERN EUROPE GROUP .....	9
III. EFFECTS OF CHANGES IN THE GROUP'S AND ISSUER'S STRUCTURE.....	10
IV. ACCOUNTING POLICIES APPLIED WHEN PREPARING THE CONSOLIDATED FINANCIAL STATEMENTS.....	10
1. Basis for the preparation of interim condensed consolidated financial statements .....	10
2. Compliance statement .....	10
3. Significant accounting policies.....	10
4. Functional currency and reporting currency .....	11
5. Changes in estimates.....	11
6. Professional judgement .....	11
7. Seasonal nature of business .....	11
8. Changes in the presentation methods .....	11
9. Changes in the accounting policies .....	13
10. Corrections of material errors.....	14
V. INFORMATION ON OPERATING SEGMENTS .....	14
VI. EXPLANATORY NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS .....	16
1. Breakdown of sales revenues.....	16
2. Breakdown of operating costs .....	16
3. Other operating income and expenses .....	16
4. Financial income and expenses .....	17
5. Corporate income tax.....	17
6. Earnings per share .....	17
7. Information on dividends paid out or declared.....	18
8. Property, plant and equipment, and intangible assets .....	18
9. Goodwill arising from consolidation.....	19
10. Inventories .....	19
11. Short-term receivables .....	19
12. Financial assets .....	20
13. Cash and short-term deposits.....	20
14. Prepayments and accrued income.....	20
15. Long-term and short-term financial liabilities.....	21
16. Interest-bearing bank loans and borrowings.....	21
17. Short-term trade payables and other liabilities .....	21
18. Accruals and deferred income.....	22
19. Contingent liabilities and receivables .....	22
20. Employment.....	22
21. Remuneration of Members of the Management Board and Supervisory Board of the Parent Company and its subsidiaries .....	23
22. Information on related parties .....	23
24. Financial instruments .....	24
25. Capital management .....	24
26. Objectives and principles of financial risk management.....	24
27. Significant events after the balance sheet date .....	24
28. Significant events related to prior years.....	24

**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
OF ASSECO SOUTH EASTERN EUROPE GROUP  
INCLUDING THE REPORT OF INDEPENDENT CERTIFIED AUDITORS  
FOR THE PERIOD OF 6 MONTHS ENDED 30 JUNE 2015**

These interim condensed consolidated financial statements have been approved for publication by the Management Board of Asseco South Eastern Europe S.A.

Management Board of Asseco South Eastern Europe S.A.:

Miljan Mališ Member of the Management Board

Miodrag Mirčetić Member of the Management Board

Member of the Management Board

**FINANCIAL HIGHLIGHTS OF ASSECO SOUTH EASTERN EUROPE GROUP**

	6 months ended 30 June 2015 (unaudited)	6 months ended 30 June 2014 (unaudited)	6 months ended 30 June 2015 (unaudited)	6 months ended 30 June 2014 (unaudited)
	PLN'000	PLN'000	EUR'000	EUR'000
I. Sales revenues	220,400	220,298	53,312	52,723
II. Operating profit	24,024	18,553	5,811	4,440
III. Pre-tax profit	24,092	18,570	5,828	4,444
IV. Net profit for the reporting period	19,755	16,108	4,779	3,855
V. Net profit attributable to Shareholders of the Parent Company	<b>19,778</b>	<b>16,125</b>	<b>4,784</b>	<b>3,859</b>
VI. Net cash provided by (used in) operating activities	18,068	24,003	4,370	5,745
VII. Net cash provided by (used in) investing activities	(26,396)	(37,976)	(6,385)	(9,089)
VIII. Net cash provided by (used in) financing activities	(3,642)	20,568	(881)	4,922
IX. Cash and cash equivalents at the end of period	74,908	66,695	17,859	16,029
X. Basic earnings per ordinary share for the reporting period attributable to Shareholders of the Parent Company (in PLN/EUR)	0.38	0.31	0.09	0.07
XI. Diluted earnings per ordinary share for the reporting period attributable to Shareholders of the Parent Company (in PLN/EUR)	0.38	0.31	0.09	0.07

The financial highlights disclosed in these interim condensed consolidated financial statements were translated into euros (EUR) in the following way:

- items of the interim condensed consolidated income statement and statement of cash flows have been translated into EUR at the arithmetic average of mid exchange rates as published by the National Bank of Poland and in effect on the last day of each month. These exchange rates were as follows:
  - for the period from 1 January 2015 to 30 June 2015: EUR 1 = PLN 4.1341
  - for the period from 1 January 2014 to 30 June 2014: EUR 1 = PLN 4.1784
- the Group's cash and cash equivalents as at the end of the reporting period and the comparable period of the previous year have been translated into EUR at the mid exchange rates as published by the National Bank of Poland. These exchange rates were as follows:
  - exchange rate effective on 30 June 2015: EUR 1 = PLN 4.1944
  - exchange rate effective on 30 June 2014: EUR 1 = PLN 4.1609

**INTERIM CONDENSED CONSOLIDATED INCOME STATEMENT**

	Note	3 months ended 30 June 2015 (unaudited)	6 months ended 30 June 2015 (unaudited)	3 months ended 30 June 2014 (unaudited)	6 months ended 30 June 2014 (unaudited)
<b>Sales revenues</b>	<u>1</u>	<b>121,847</b>	<b>220,400</b>	<b>121,017</b>	<b>220,298</b>
Cost of sales (-)	<u>2</u>	(89,847)	(162,329)	(92,676)	(168,323)
<b>Gross profit on sales</b>		<b>32,000</b>	<b>58,071</b>	<b>28,341</b>	<b>51,975</b>
Selling costs (-)	<u>2</u>	(9,296)	(17,609)	(9,516)	(17,451)
General and administrative expenses (-)	<u>2</u>	(8,625)	(17,719)	(8,316)	(16,196)
<b>Net profit on sales</b>		<b>14,079</b>	<b>22,743</b>	<b>10,509</b>	<b>18,328</b>
Other operating income	<u>3</u>	572	1,890	549	950
Other operating expenses (-)	<u>3</u>	(623)	(738)	(637)	(945)
Share of profits of associates and jointly controlled companies (+/-)		129	129	128	220
<b>Operating profit</b>		<b>14,157</b>	<b>24,024</b>	<b>10,549</b>	<b>18,553</b>
Financial income	<u>4</u>	414	2,163	616	1,015
Financial expenses (-)	<u>4</u>	(625)	(2,095)	(622)	(998)
<b>Pre-tax profit</b>		<b>13,946</b>	<b>24,092</b>	<b>10,543</b>	<b>18,570</b>
Corporate income tax (current and deferred tax expense)	<u>5</u>	(2,297)	(4,337)	(1,449)	(2,462)
<b>Net profit for the reporting period</b>		<b>11,649</b>	<b>19,755</b>	<b>9,094</b>	<b>16,108</b>
Attributable to:					
<b>Shareholders of the Parent Company</b>		<b>11,649</b>	<b>19,778</b>	<b>9,110</b>	<b>16,125</b>
Non-controlling interests		-	(23)	(16)	(17)

**Consolidated earnings per share for the reporting period attributable to Shareholders of ASEE S.A. (in PLN):**

Basic consolidated earnings per share from continuing operations for the reporting period	<u>6</u>	0.22	0.38	0.18	0.31
Diluted consolidated earnings per share from continuing operations for the reporting period	<u>6</u>	0.22	0.38	0.18	0.31

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	3 months ended 30 June 2015 (unaudited)	6 months ended 30 June 2015 (unaudited)	3 months ended 30 June 2014 (unaudited)	6 months ended 30 June 2014 (unaudited)
<b>Net profit for the reporting period</b>	<b>11,649</b>	<b>19,755</b>	<b>9,094</b>	<b>16,108</b>
<b>Other comprehensive income, of which:</b>	<b>8,003</b>	<b>(14,824)</b>	<b>2,628</b>	<b>4,116</b>
Components that may be reclassified to profit or loss	8,003	(14,824)	2,628	4,116
Exchange differences on translation of foreign operations	8,003	(14,824)	2,628	4,116
<b>TOTAL COMPREHENSIVE INCOME FOR THE REPORTING PERIOD</b>	<b>19,652</b>	<b>4,931</b>	<b>11,722</b>	<b>20,224</b>
<b>Attributable to:</b>				
<i>Shareholders of the Parent Company</i>	19,649	4,950	11,739	20,245
<i>Non-controlling interests</i>	3	(19)	(17)	(21)

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS	Note	30 June 2015	31 Dec. 2014
		(unaudited)	(restated)
<b>Non-current assets</b>		<b>605,454</b>	<b>612,945</b>
Property, plant and equipment	8	75,901	69,846
Investment property		1,163	1,214
Intangible assets	8	35,898	38,114
Goodwill arising from consolidation	9	487,778	498,113
Investments accounted for using the equity method		1,433	1,538
Long-term financial assets	12	229	232
Long-term receivables		724	1,056
Deferred tax assets		1,723	2,257
Long-term prepayments and accrued income	14	605	575
<b>Current assets</b>		<b>225,393</b>	<b>235,352</b>
Inventories	10	21,121	16,339
Prepayments and accrued income	14	10,552	12,332
Trade receivables	11	82,345	96,059
Corporate income tax receivable		932	713
Other receivables from the state and local budgets		846	1,285
Receivables arising from valuation of IT contracts		20,546	14,632
Other receivables	11	2,800	2,373
Short-term financial assets	12	11,343	2,646
Cash and short-term deposits	13	74,908	88,973
<b>TOTAL ASSETS</b>		<b>830,847</b>	<b>848,297</b>

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

EQUITY AND LIABILITIES	Note	30 June 2015	31 Dec. 2014
		(unaudited)	(restated)
<b>Equity (attributable to shareholders of the Parent Company)</b>		<b>663,198</b>	<b>679,006</b>
Share capital		518,942	518,942
Share premium		38,825	38,825
Exchange differences on translation of foreign operations		(81,383)	(66,555)
Retained earnings and current net profit		186,814	187,794
<b>Non-controlling interests</b>		<b>143</b>	<b>162</b>
<b>Total equity</b>		<b>663,341</b>	<b>679,168</b>
<b>Non-current liabilities</b>		<b>25,525</b>	<b>26,543</b>
Interest-bearing bank loans and borrowings	16	20,933	21,018
Deferred tax liabilities		1,368	2,127
Long-term provisions		1,290	1,623
Long-term financial liabilities	15	1,314	962
Long-term deferred income	18	620	813
<b>Current liabilities</b>		<b>141,981</b>	<b>142,586</b>
Interest-bearing bank loans and borrowings	16	18,964	22,051
Trade payables	17	46,893	63,035
Corporate income tax payable	17	1,173	1,608
Other liabilities to the state and local budgets	17	7,725	13,246
Financial liabilities	15	23,234	2,274
Liabilities arising from valuation of IT contracts		2,046	3,997
Other liabilities	17	10,712	14,786
Short-term provisions		2,278	1,495
Deferred income	18	13,142	7,033
Accruals	18	15,814	13,061
<b>TOTAL LIABILITIES</b>		<b>167,506</b>	<b>169,129</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>830,847</b>	<b>848,297</b>

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

for the period of 6 months ended 30 June 2015

	Share capital	Share premium	Exchange differences on translation of foreign operations	Retained earnings and current net profit	Equity attributable to shareholders of the Parent Company	Non-controlling interests	Total equity
<b>As at 1 January 2015</b>	<b>518,942</b>	<b>38,825</b>	<b>(66,555)</b>	<b>187,794</b>	<b>679,006</b>	<b>162</b>	<b>679,168</b>
Net profit (loss) for the reporting period	-	-	-	19,778	19,778	(23)	<b>19,755</b>
Other comprehensive income	-	-	(14,828)	-	(14,828)	4	<b>(14,824)</b>
<b>Total comprehensive income for the reporting period</b>	<b>-</b>	<b>-</b>	<b>(14,828)</b>	<b>19,778</b>	<b>4,950</b>	<b>(19)</b>	<b>4,931</b>
Dividend	-	-	-	(20,758)	(20,758)	-	<b>(20,758)</b>
<b>As at 30 June 2015 (unaudited)</b>	<b>518,942</b>	<b>38,825</b>	<b>(81,383)</b>	<b>186,814</b>	<b>663,198</b>	<b>143</b>	<b>663,341</b>

for the period of 6 months ended 30 June 2014

	Share capital	Share premium	Exchange differences on translation of foreign operations	Retained earnings and current net profit	Equity attributable to shareholders of the Parent Company	Non-controlling interests	Total equity
<b>As at 1 January 2014</b>	<b>518,942</b>	<b>38,825</b>	<b>(74,879)</b>	<b>165,365</b>	<b>648,253</b>	<b>171</b>	<b>648,424</b>
Net profit (loss) for the reporting period	-	-	-	16,125	16,125	(17)	<b>16,108</b>
Other comprehensive income	-	-	4,120	-	4,120	(4)	<b>4,116</b>
<b>Total comprehensive income for the reporting period</b>	<b>-</b>	<b>-</b>	<b>4,120</b>	<b>16,125</b>	<b>20,245</b>	<b>(21)</b>	<b>20,224</b>
Dividend	-	-	-	(16,606)	(16,606)	-	<b>(16,606)</b>
<b>As at 30 June 2014 (restated)</b>	<b>518,942</b>	<b>38,825</b>	<b>(70,759)</b>	<b>164,884</b>	<b>651,892</b>	<b>150</b>	<b>652,042</b>

for the period of 12 months ended 31 December 2014

	Share capital	Share premium	Exchange differences on translation of foreign operations	Retained earnings and current net profit	Equity attributable to shareholders of the Parent Company	Non-controlling interests	Total equity
<b>As at 1 January 2014</b>	<b>518,942</b>	<b>38,825</b>	<b>(74,879)</b>	<b>165,365</b>	<b>648,253</b>	<b>171</b>	<b>648,424</b>
Net profit (loss) for the reporting period	-	-	-	39,035	39,035	5	<b>39,040</b>
Other comprehensive income	-	-	8,324	-	8,324	(14)	<b>8,310</b>
<b>Total comprehensive income for the reporting period</b>	<b>-</b>	<b>-</b>	<b>8,324</b>	<b>39,035</b>	<b>47,359</b>	<b>(9)</b>	<b>47,350</b>
Dividend	-	-	-	(16,606)	(16,606)	-	<b>(16,606)</b>
<b>As at 31 December 2014 (restated)</b>	<b>518,942</b>	<b>38,825</b>	<b>(66,555)</b>	<b>187,794</b>	<b>679,006</b>	<b>162</b>	<b>679,168</b>

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	Note	6 months ended 30 June 2015 (unaudited)	6 months ended 30 June 2014 (unaudited)
<b>Cash flows – operating activities</b>			
Pre-tax profit		24,092	18,570
<b>Total adjustments:</b>			
Depreciation and amortization		14,162	10,284
Change in inventories		(6,048)	(4,980)
Change in receivables		4,696	13,231
Change in liabilities		(24,966)	(10,070)
Change in prepayments, accruals and provisions		10,259	(155)
Interest income and expenses		73	259
Gain (loss) on foreign exchange differences		514	(167)
Gain (loss) on investing activities		(174)	(283)
Other		(58)	82
<b>Net cash generated from operating activities</b>		<b>22,550</b>	<b>26,771</b>
Corporate income tax paid		(4,482)	(2,768)
<b>Net cash provided by (used in) operating activities</b>		<b>18,068</b>	<b>24,003</b>
<b>Cash flows – investing activities</b>			
Disposal of property, plant and equipment and intangible assets		826	579
Acquisition of property, plant and equipment and intangible assets	8	(16,877)	(32,393)
Expenditures for development projects		(2,580)	(4,328)
Acquisition of investment fund units	12	(3,342)	(420)
Disposal (acquisition) of other financial assets carried at fair value through profit or loss		(70)	65
Bank deposits withdrawn	12	4,830	1,022
Bank deposits made	12	(9,800)	(2,971)
Loans collected (granted)		(318)	(88)
Interest received		660	329
Dividends received		275	229
<b>Net cash provided by (used in) investing activities</b>		<b>(26,396)</b>	<b>(37,976)</b>

	Note	6 months ended 30 June 2015 (unaudited)	6 months ended 30 June 2014 (unaudited)
<b>Cash flows – financing activities</b>			
Proceeds from (repayments of) short-term bank loans and borrowings		(164)	354
Proceeds from other bank loans and borrowings	16	5,563	26,493
Repayments of other bank loans and borrowings	16	(7,776)	(5,427)
Finance lease liabilities paid		(322)	(198)
Interest paid		(943)	(654)
<b>Net cash provided by (used in) financing activities</b>		<b>(3,642)</b>	<b>20,568</b>
Net increase (decrease) in cash and cash equivalents		(11,970)	6,595
Net foreign exchange differences		(1,397)	399
Cash and cash equivalents as at 1 January	13	88,117	58,293
<b>Cash and cash equivalents as at 30 June</b>	13	<b>74,750</b>	<b>65,287</b>

**SUPPLEMENTARY INFORMATION AND EXPLANATORY NOTES**

**I. GENERAL INFORMATION**

Asseco South Eastern Europe Group (the "Group") is comprised of Asseco South Eastern Europe S.A. (the "Parent Company", "ASEE S.A.", "Company", "Issuer") and its subsidiaries.

The Parent Company Asseco South Eastern Europe S.A. seated at 14 Olchowa St., Rzeszów, Poland, was established on 10 April 2007. The Company has been listed on the main market of the Warsaw Stock Exchange since 28 October 2009.

ASEE S.A. is the Parent Company of Asseco South Eastern Europe Group. The Parent Company shall operate within the territory of the Republic of Poland as well as abroad. The time of duration of both the Parent Company and the entities incorporated in the Group is indefinite.

Asseco South Eastern Europe Group is engaged in the sale of its own and third-party software as well as in the provision of implementation, integration and outsourcing services. The Group is a provider of IT solutions for the finance and telecommunication sectors, authentication solutions and internet payment systems, while it also sells and performs maintenance of ATMs and POS terminals, and provides integration and implementation services for IT systems and hardware. The Group conducts

business operations in the markets of Poland, South Eastern Europe, and Turkey.

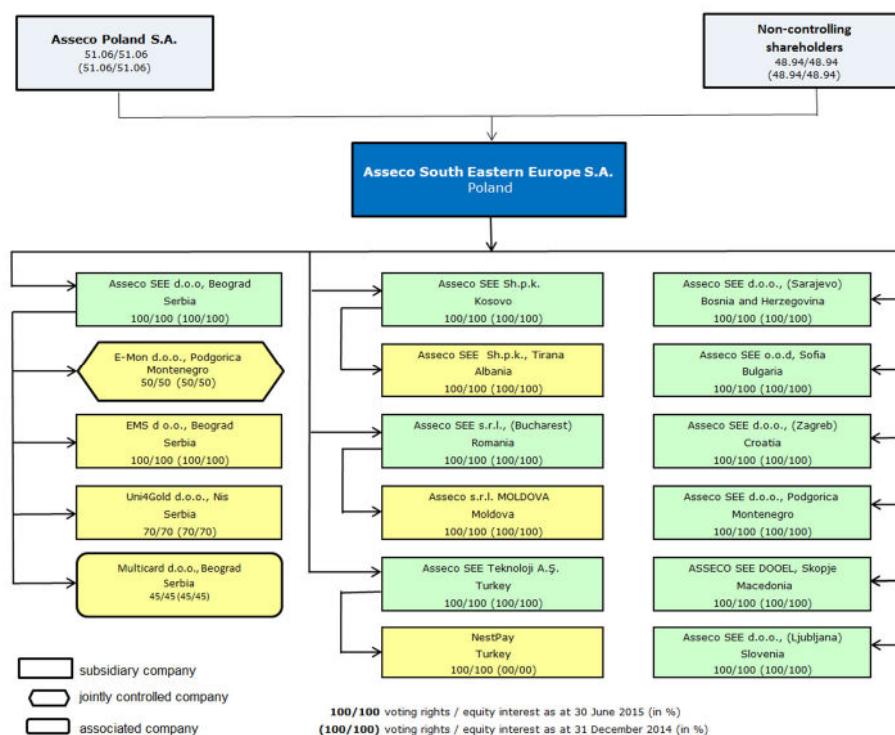
The Group's business profile and product portfolio have been described in detail in its annual report for the year 2014, which is available at the Issuer's website: [www.asseco.com/see](http://www.asseco.com/see).

These interim condensed consolidated financial statements cover the period of 6 months ended 30 June 2015 and contain comparable data for the period of 6 months ended 30 June 2014 in the case of the income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows, as well as comparable data as at 31 December 2014 in the case of the statement of financial position. The income statement as well as notes to the income statement cover the period of 3 months ended 30 June 2015 and contain comparable data for the period of 3 months ended 30 June 2014; these data have not been reviewed by certified auditors.

The Group draws up its financial statements in accordance with the International Financial Reporting Standards ("IFRS") as endorsed by the European Union for the current and comparable period.

These interim consolidated financial statements have been approved for publication by the Management Board of ASEE S.A. on 5 August 2015.

**II. ORGANIZATIONAL STRUCTURE OF ASSECO SOUTH EASTERN EUROPE GROUP**



The chart above presents the structure of ASEE Group along with equity interests and voting rights at the general meetings of shareholders/partners as at 30 June 2015.

The parent of Asseco South Eastern Europe S.A. is Asseco Poland S.A. (the higher-level parent company). As at 30 June 2015, Asseco Poland S.A. held a 51.06% stake in the share capital of ASEE S.A.

Within the Group's organizational structure, E-Mon Montenegro is treated as a jointly controlled company and therefore consolidated under the equity method in line with IFRS 11.

Multicard Serbia is an associated company accounted for using the equity method.

The remaining companies incorporated within the Group are treated as subsidiaries and are subject to full consolidation.

Both as at 30 June 2015 and 31 December 2014, voting rights held by the Group in its subsidiaries were proportional to the Group's equity interests in these entities.

### **III. EFFECTS OF CHANGES IN THE GROUP'S AND ISSUER'S STRUCTURE**

During the period of 6 months ended 30 June 2015, there were no other changes in the organizational structures of ASEE Group and the Issuer.

### **IV. ACCOUNTING POLICIES APPLIED WHEN PREPARING THE CONSOLIDATED FINANCIAL STATEMENTS**

#### **1. Basis for the preparation of interim condensed consolidated financial statements**

These interim condensed consolidated financial statements were prepared in accordance with the historical cost convention, except for derivative financial instruments and assets that are carried at fair value through profit or loss.

The presentation currency of these interim condensed consolidated financial statements is the Polish zloty (PLN), and all figures are presented in thousands of zlotys (PLN'000), unless stated otherwise.

These interim condensed consolidated financial statements were prepared on a going-concern basis, assuming the Group, Parent Company as well as its subsidiaries will continue their business activities in the foreseeable future.

Till the date of approving these financial statements, we have not observed any circumstances that would

threaten the Company and the Group companies' ability to continue as going concerns in the period of at least 12 months following the balance sheet date.

#### **2. Compliance statement**

These interim condensed consolidated financial statements have been prepared in conformity with the International Accounting Standard 34 Interim Financial Reporting as endorsed by the European Union ("IAS 34").

Some of the Group companies maintain their accounting books in accordance with the accounting policies set forth in their respective local regulations. The interim condensed consolidated financial statements include adjustments not disclosed in the accounting books of the Group's entities which were introduced to adjust the financial statements of those entities to IFRS.

#### **3. Significant accounting policies**

The significant accounting policies adopted by ASEE Group have been described in its consolidated financial statements for the year ended 31 December 2014, which were published on 18 February 2015 and are available at the Issuer's website: [www.asseco.com/see](http://www.asseco.com/see). These interim condensed consolidated financial statements do not include all the information and disclosures required for annual consolidated financial statements and therefore they should be read together with the Group's consolidated financial statements for the year ended 31 December 2014.

The accounting policies adopted in the preparation of this report are consistent with those followed when preparing the annual financial statements for the year ended 31 December 2014, except for the adoption of amendments to standards and new interpretations effective for annual periods beginning on or after 1 January 2015:

- Amendments to IFRS 3 *Business Combinations*

The amendments clarify that not only joint ventures but also joint arrangements are excluded from the scope of IFRS 3, with the only exception applicable to the preparation of financial statements of a joint arrangement. This amendment shall be applied prospectively.

- Amendments to IFRS 13 *Fair Value Measurement*

The amendments clarify that the investment portfolio exception applies not only to financial assets and financial liabilities, but also to other contracts accounted for within the scope of IAS 39.

These amendments shall be applied prospectively.

- Amendments to IAS 40 *Investment property*

The definition of additional services provided in IAS 40 differentiates between investment property and owner-occupied property (classified as property, plant and equipment). This amendment shall be applied prospectively and it clarifies that IFRS 3, and not the definition of additional services provided in IAS 40, shall be used to determine whether a specific transaction is the acquisition of an asset or a business.

- IFRIC 21 *Levies*

The interpretation clarifies that an entity shall recognize a liability for a levy imposed by a government upon the occurrence of an obligating event, this is the activity that triggers the payment of the levy in accordance with relevant laws or regulations. If a levy is payable upon reaching a minimum threshold, the liability shall not be recognized until that minimum threshold has been met or exceeded. IFRIC 21 shall be applied retrospectively.

Adoption of these amendments had no impact on the Group's financial position or the results of its operations.

#### **4. Functional currency and reporting currency**

The functional currency applied by the Parent Company as well as the reporting currency used in these interim condensed consolidated financial statements is the Polish zloty (PLN).

Separate and consolidated financial statements of the Group companies are drawn up in the functional currencies of their primary business environments. The functional currencies of direct subsidiaries of ASEE S.A. include the Romanian leu (RON), Croatian kuna (HRK), Serbian dinar (RDS), Macedonian denar (MKD), euro (EUR), Turkish lira (TRY), Bulgarian lev (BGN), Bosnia and Herzegovina convertible mark (BAM), and Polish zloty (PLN).

#### **5. Changes in estimates**

In the period of 6 months ended 30 June 2015, our approach to making estimates was not subject to any substantial change.

#### **6. Professional judgement**

Preparation of consolidated financial statements in accordance with IFRS requires making estimates and assumptions which have an impact on the data disclosed in such financial statements. Despite the estimates and assumptions have been adopted based on the Group's management best knowledge on the current activities and occurrences, the actual results may differ from those anticipated. The main areas which, in the process of applying the accounting policies, were largely subject to the management's professional judgement remained unchanged as compared with their description presented in the annual financial statements for the year 2014.

The changes of estimates as at 30 June 2015 included the calculation of deferred income tax, preparation of impairment tests for goodwill as described in note 9, as well as the estimated value of accruals for employee benefits as disclosed in note 18. The estimated value of our deferred payment for the acquisition of shares in EŽR Croatia remained unchanged.

#### **7. Seasonal nature of business**

The Group's business operations are subject to seasonality, which involves revenue fluctuations in individual quarters of the year. Because the bulk of sales revenues are generated from IT services contracts executed for large companies and public institutions, turnovers recorded in the fourth quarter tend to be higher than in the remaining periods. Such phenomenon occurs for the reason that the above-mentioned entities close their annual budgets for implementation of IT projects and carry out investment purchases of hardware and licenses usually in the last quarter.

#### **8. Changes in the presentation methods**

##### **Changes in the presentation of receivables and liabilities**

As of 1 January 2015, the Group has changed the method of classification of certain receivables and liabilities, and in particular the way of recognizing receivables/liabilities as related to trade or other activities. Starting from 1 January 2015, the Group decided that all receivables resulting in the recognition of sales revenues shall be presented trade receivables. Hence, as of 1 January 2015, trade receivables include the following categories:

- receivables from issued invoices,
- receivables from uninvoiced deliveries,
- receivables from valuation of IT contracts.

Until 31 December 2014, the two last-mentioned categories used to be presented by the Group in "other receivables".

<b>Trade receivables</b>	<b>31 Dec. 2014 (restated)</b>	<b>Change</b>	<b>31 Dec. 2014 (audited)</b>
Trade receivables, of which:	90,959	-	90,959
From related parties	1,048	-	1,048
From other entities	93,577	-	93,577
Allowance for trade receivables (-)	(3,666)	-	(3,666)
Receivables from uninvoiced deliveries, of which:	5,100	5,100	-
From related parties	-	-	-
From other entities	5,100	5,100	-
	<b>96,059</b>	<b>5,100</b>	<b>90,959</b>
<b>Other receivables</b>	<b>31 Dec. 2014 (restated)</b>	<b>Change</b>	<b>31 Dec. 2014 (audited)</b>
Receivables from uninvoiced deliveries	-	(5,100)	5,100
Advance payments to other suppliers	1,390	-	1,390
Security deposits receivable	154	-	154
Other receivables	829	-	829
	<b>2,373</b>	<b>(5,100)</b>	<b>7,473</b>

Changes in the presentation of receivables resulted in the necessity of introducing analogous changes in the methods of presentation of liabilities. This involved in particular the following reclassifications:

- liabilities arising from valuation of IT contracts, liabilities for uninvoiced deliveries, as well as provisions for other costs have been, as of 1 January 2015, classified as trade payables;
- provisions for losses on IT contracts as well as provision for the audit of financial statements are classified as short-term provisions.

<b>Short-term trade payables</b>	<b>31 Dec. 2014 (restated)</b>	<b>Change</b>	<b>31 Dec. 2014 (audited)</b>
Trade payables, of which:	55,619	-	55,619
From related parties	200	-	200
From other entities	55,419	-	55,419
Liabilities for uninvoiced deliveries:	7,416	7,416	-
From related parties	-	-	-
From other entities	7,416	7,416	-
	<b>63,035</b>	<b>7,416</b>	<b>55,619</b>
<b>Other current liabilities</b>	<b>31 Dec. 2014 (restated)</b>	<b>Change</b>	<b>31 Dec. 2014 (audited)</b>
Liabilities for uninvoiced deliveries	-	(830)	830
Liabilities to employees	5,777	-	5,777
Prepayments received	8,022	-	8,022
Liabilities for purchases of tangible assets and intangible assets	311	-	311
Other liabilities	676	-	676
	<b>14,786</b>	<b>(830)</b>	<b>15,616</b>

<b>Short-term accruals</b>	<b>31 Dec. 2014 (restated)</b>	<b>Change</b>	<b>31 Dec. 2014 (audited)</b>
Accrual for unused holiday leaves	1,455	-	1,455
Accrual for employee bonuses	11,606	-	11,606
Provision for other costs (uninvoiced)	-	(6,586)	6,586
Provision for the audit of financial statements	-	(335)	335
	<b>13,061</b>	<b>(6,921)</b>	<b>19,982</b>
<b>Short-term provisions</b>	<b>31 Dec. 2014 (restated)</b>	<b>Change</b>	<b>31 Dec. 2014 (audited)</b>
Provision for the audit of financial statements	335	335	-
Provision for post-employment benefits	108	-	108
Provision for warranty repairs	932	-	932
Other	120	-	120
	<b>1,495</b>	<b>335</b>	<b>1,160</b>

### Changes in the presentation of operating segments

<b>For the period of 6 months ended 30 June 2014 in PLN thousands</b>	<b>Banking Solutions (I) (unaudited)</b>	<b>Change</b>	<b>Banking Solutions (I) (restated)</b>
<b>Sales revenues:</b>	<b>59,994</b>	<b>(3,520)</b>	<b>56,474</b>
Sales to external customers	53,969	(3,520)	50,449
Inter/intra segment sales	6,025	-	6,025
<b>Gross profit on sales</b>	<b>14,986</b>	<b>(2,272)</b>	<b>12,714</b>
Selling costs (-)	(4,955)	512	(4,444)
General and administrative expenses (-)	(6,495)	604	(5,891)
<b>Net profit on sales</b>	<b>3,536</b>	<b>(1,157)</b>	<b>2,379</b>

<b>For the period of 6 months ended 30 June 2014 in PLN thousands</b>	<b>Systems Integration (III) (unaudited)</b>	<b>Change</b>	<b>Systems Integration (III) (restated)</b>
<b>Sales revenues:</b>	<b>101,358</b>	<b>3,520</b>	<b>104,878</b>
Sales to external customers	100,476	3,520	103,996
Inter/intra segment sales	882	-	882
<b>Gross profit on sales</b>	<b>17,151</b>	<b>2,272</b>	<b>19,423</b>
Selling costs (-)	(8,418)	(512)	(8,929)
General and administrative expenses (-)	(4,120)	(604)	(4,724)
<b>Net profit on sales</b>	<b>4,613</b>	<b>1,157</b>	<b>5,770</b>

We have changed the comparable data of operating segments for the period of 6 months ended 30 June 2014. The effects of these changes are presented in the tables above. These changes resulted from a reclassification of one of software solutions in Turkey which, by the Management's decision, has been transferred from the Banking Solutions segment to the Systems Integration segment.

### 9. Changes in the accounting policies

In the reporting period, the Group has not introduced any changes to the applied accounting policies, except for adopting the amendments to standards and new interpretations effective for annual periods beginning on or after 1 January 2015.

## **10. Corrections of material errors**

In the reporting period, no events occurred that would require making corrections of any misstatements.

## **V. INFORMATION ON OPERATING SEGMENTS**

Asseco South Eastern Europe Group has identified the following reportable segments reflecting the structure of its business operations:

- a) Banking Solutions,
- b) Payment Solutions,
- c) Systems Integration.

### **Banking Solutions**

This segment deals with integrated banking systems based on the Oracle and Microsoft platforms (offered under the brand name of ASEBA), including primarily *core banking systems*.

In addition, the integrated systems include solutions dedicated to support various bank access channels, payment systems, mandatory reporting systems, management information systems, as well as risk management and anti-fraud systems.

This segment also provides systems enabling secure authentication of bank clients or IT system users, as well as e-banking solutions available on mobile phones. These solutions are marketed as an integral part of the core and multi-channel banking systems offered by the Group companies, or separately for the purpose of being integrated with legacy IT solutions or third-party software already utilized by banks.

### *Payment Solutions*

This segment is engaged in the sale and maintenance of ATMs and POS terminals as well as in the provision of related support services. ATMs and POS terminals are also offered by the Group in the outsourcing model, which allows customers to just rent the equipment from ASEE Group and take advantage of our maintenance and infrastructure management services. This operating segment also provides IT systems for the settlement of internet credit card payments as well as for fast and direct online money transfers.

### *Systems Integration*

This segment is engaged in the development of customized IT systems, integration of third-party software and elements of infrastructure, as well as in the sale and installation of hardware solutions. The Systems Integration segment also includes sales of a number of the Group's proprietary solutions.

The Group's business profile and product portfolio have been described in detail in its financial statements for the year 2014.

For the period of 6 months ended 30 June 2015 and as at 30 June 2015 in PLN thousands (unaudited)	Banking Solutions (I)	Payment Solutions (II)	Total Banking Business (I-II)	Systems Integration (III)	Unallocated	Eliminations / Reconcilia- tions	Total
<b>Sales revenues:</b>	<b>71,633</b>	<b>79,322</b>	<b>150,955</b>	<b>83,128</b>	<b>4,733</b>	<b>(18,416)</b>	<b>220,400</b>
Sales to external customers	60,813	77,400	138,213	82,187	-	-	220,400
Inter/intra segment sales	10,820	1,922	12,742	941	4,733	(18,416)	-
<b>Gross profit on sales</b>	<b>20,082</b>	<b>23,867</b>	<b>43,949</b>	<b>14,122</b>	-	-	<b>58,071</b>
Selling costs (-)	(5,101)	(4,768)	(9,869)	(7,740)	-	-	(17,609)
General and administrative expenses (-)	(6,322)	(5,859)	(12,181)	(5,538)	-	-	(17,719)
<b>Net profit on sales</b>	<b>8,659</b>	<b>13,240</b>	<b>21,899</b>	<b>844</b>	-	-	<b>22,743</b>

For the period of 6 months ended 30 June 2015 in EUR thousands (unaudited)	Banking Solutions (I)	Payment Solutions (II)	Total Banking Business (I-II)	Systems Integration (III)	Unallocated	Eliminations / Reconcilia- tions	Total
<b>Sales revenues:</b>	<b>17,327</b>	<b>19,187</b>	<b>36,514</b>	<b>20,108</b>	<b>1,145</b>	<b>(4,455)</b>	<b>53,312</b>
Sales to external customers	14,710	18,722	33,432	19,880	-	-	53,312
Inter/intra segment sales	2,617	465	3,082	228	1,145	(4,455)	-
<b>Gross profit on sales</b>	<b>4,858</b>	<b>5,773</b>	<b>10,631</b>	<b>3,416</b>	-	-	<b>14,047</b>
Selling costs (-)	(1,234)	(1,153)	(2,387)	(1,872)	-	-	(4,259)
General and administrative expenses (-)	(1,529)	(1,417)	(2,946)	(1,340)	-	-	(4,286)
<b>Net profit on sales</b>	<b>2,095</b>	<b>3,203</b>	<b>5,298</b>	<b>204</b>	-	-	<b>5,502</b>

The above figures have been converted at the average exchange rate for the period from 1 January 2015 to 30 June 2015: EUR 1 = PLN 4.1341

For the period of 6 months ended 30 June 2014 and as at 31 December 2014 in PLN thousands (restated)	Banking Solutions (I)	Payment Solutions (II)	Total Banking Business (I-II)	Systems Integration (III)	Unallocated	Eliminations / Reconcilia- tions	Total
<b>Sales revenues:</b>	<b>56,474</b>	<b>67,806</b>	<b>124,280</b>	<b>104,878</b>	<b>4,350</b>	<b>(13,210)</b>	<b>220,298</b>
Sales to external customers	50,449	65,853	116,302	103,996	-	-	220,298
Inter/intra segment sales	6,025	1,953	7,978	882	4,350	(13,210)	-
<b>Gross profit on sales</b>	<b>12,714</b>	<b>19,838</b>	<b>32,552</b>	<b>19,423</b>	-	-	<b>51,975</b>
Selling costs (-)	(4,444)	(4,078)	(8,522)	(8,929)	-	-	(17,451)
General and administrative expenses (-)	(5,891)	(5,581)	(11,472)	(4,724)	-	-	(16,196)
<b>Net profit on sales</b>	<b>2,379</b>	<b>10,179</b>	<b>12,558</b>	<b>5,770</b>	-	-	<b>18,328</b>

For the period of 6 months ended 30 June 2014 in EUR thousands (restated)	Banking Solutions (I)	Payment Solutions (II)	Total Banking Business (I-II)	Systems Integration (III)	Unallocated	Eliminations / Reconcilia- tions	Total
<b>Sales revenues:</b>	<b>13,516</b>	<b>16,227</b>	<b>29,743</b>	<b>25,100</b>	<b>1,041</b>	<b>(3,161)</b>	<b>52,723</b>
Sales to external customers	12,074	15,760	27,834	24,889	-	-	52,723
Inter/intra segment sales	1,442	467	1,909	211	1,041	(3,161)	-
<b>Gross profit on sales</b>	<b>3,043</b>	<b>4,748</b>	<b>7,791</b>	<b>4,649</b>	-	-	<b>12,440</b>
Selling costs (-)	(1,063)	(976)	(2,039)	(2,138)	-	-	(4,177)
General and administrative expenses (-)	(1,410)	(1,336)	(2,746)	(1,130)	-	-	(3,876)
<b>Net profit on sales</b>	<b>570</b>	<b>2,436</b>	<b>3,006</b>	<b>1,381</b>	-	-	<b>4,387</b>

The above figures have been converted at the average exchange rate for the period from 1 January 2014 to 30 June 2014: EUR 1 = PLN 4.1784

**VI. EXPLANATORY NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**1. Breakdown of sales revenues**

During the period of 6 months ended 30 June 2015 and in the comparable period last year, operating revenues were as follows:

Sales revenues by type of products	3 months ended 30 June 2015 (unaudited)	6 months ended 30 June 2015 (unaudited)	3 months ended 30 June 2014 (unaudited)	6 months ended 30 June 2014 (unaudited)
Proprietary software and services	71,490	136,545	67,059	125,549
Third-party software and services	19,059	29,862	21,043	35,602
Hardware and infrastructure	31,298	53,993	32,915	59,147
	<b>121,847</b>	<b>220,400</b>	<b>121,017</b>	<b>220,298</b>

**2. Breakdown of operating costs**

	3 months ended 30 June 2015 (unaudited)	6 months ended 30 June 2015 (unaudited)	3 months ended 30 June 2014 (unaudited)	6 months ended 30 June 2014 (unaudited)
Employee benefits (-)	(40,063)	(77,913)	(38,439)	(75,366)
Third-party services and outsourcing of employees (-)	(4,692)	(8,842)	(5,445)	(9,719)
Depreciation and amortization (-)	(7,253)	(14,162)	(5,658)	(10,284)
Maintenance costs of property and business cars (-)	(6,852)	(14,185)	(7,489)	(14,853)
Business trips (-)	(1,220)	(2,294)	(1,280)	(2,461)
Advertising (-)	(1,006)	(1,813)	(1,391)	(2,332)
Other operating expenses (-)	(395)	(1,713)	(827)	(442)
	<b>(61,481)</b>	<b>(120,922)</b>	<b>(60,529)</b>	<b>(115,457)</b>
<b>Cost of sales, of which (-)</b>	<b>(89,847)</b>	<b>(162,329)</b>	<b>(92,676)</b>	<b>(168,323)</b>
Cost of goods and third-party services sold (-)	(46,287)	(76,735)	(49,979)	(86,513)
Production costs (-)	(43,560)	(85,594)	(42,697)	(81,810)
Selling costs (-)	(9,296)	(17,609)	(9,516)	(17,451)
General and administrative expenses (-)	(8,625)	(17,719)	(8,316)	(16,196)

**3. Other operating income and expenses**

Other operating income	3 months ended 30 June 2015 (unaudited)	6 months ended 30 June 2015 (unaudited)	3 months ended 30 June 2014 (unaudited)	6 months ended 30 June 2014 (unaudited)
Gain on disposal of property, plant and equipment and intangible assets	142	330	270	360
Reimbursement of tax paid on civil law transactions	-	915	-	-
Income from leases of space	50	99	37	75
Other	380	546	242	515
	<b>572</b>	<b>1,890</b>	<b>549</b>	<b>950</b>

Other operating expenses	3 months ended 30 June 2015 (unaudited)	6 months ended 30 June 2015 (unaudited)	3 months ended 30 June 2014 (unaudited)	6 months ended 30 June 2014 (unaudited)
Loss on disposal of property, plant and equipment (-)	(202)	(208)	(137)	(190)
Charitable contributions to unrelated parties (-)	(44)	(44)	(226)	(248)
Cost of recharge invoices (-)	-	(23)	(36)	(105)
Expenses related to reimbursement of tax paid on civil law transactions (-)	(324)	(324)	-	-
Other (-)	(53)	(139)	(238)	(402)
	<b>(623)</b>	<b>(738)</b>	<b>(637)</b>	<b>(945)</b>

**4. Financial income and expenses**

Financial income	3 months ended 30 June 2015 (unaudited)	6 months ended 30 June 2015 (unaudited)	3 months ended 30 June 2014 (unaudited)	6 months ended 30 June 2014 (unaudited)
Interest income on loans granted and bank deposits	247	876	290	551
Interest related to reimbursement of tax paid on civil law transactions	-	502	-	-
Positive foreign exchange differences	68	677	284	388
Gain on valuation of derivative instruments	99	99	37	71
Other financial income	-	9	5	5
	<b>414</b>	<b>2,163</b>	<b>616</b>	<b>1,015</b>

Financial expenses	3 months ended 30 June 2015 (unaudited)	6 months ended 30 June 2015 (unaudited)	3 months ended 30 June 2014 (unaudited)	6 months ended 30 June 2014 (unaudited)
Interest expense (-)	(352)	(778)	(462)	(595)
Bank fees and commissions (-)	(44)	(75)	(39)	(76)
Negative foreign exchange differences (-)	(75)	(1,011)	(41)	(184)
Interest expenses under finance leases (-)	(23)	(35)	(13)	(25)
Loss on valuation of derivative instruments (-)	(120)	(194)	(67)	(117)
Other financial expenses (-)	(11)	(2)	-	(1)
	<b>(625)</b>	<b>(2,095)</b>	<b>(622)</b>	<b>(998)</b>

**5. Corporate income tax**

The main charges on pre-tax profit resulting from corporate income tax (current and deferred portions):

	3 months ended 30 June 2015 (unaudited)	6 months ended 30 June 2015 (unaudited)	3 months ended 30 June 2014 (unaudited)	6 months ended 30 June 2014 (unaudited)
Current portion of income tax and prior years income tax adjustments	(2,921)	(4,529)	(2,018)	(2,688)
Deferred income tax related to reversal of temporary differences	624	192	569	226
<b>Income tax expense as disclosed in the income statement, of which:</b>	<b>(2,297)</b>	<b>(4,337)</b>	<b>(1,449)</b>	<b>(2,462)</b>
<i>Income tax attributable to continuing operations</i>	(2,297)	(4,337)	(1,449)	(2,462)

The Company's tax-deductible losses not accounted for in deferred tax assets amounted to PLN 37,338 thousand as at 30 June 2015, as compared with PLN 54,573 thousand as at 31 December 2014. The estimated amount of losses included in deferred tax assets in the period of 6 months ended 30 June 2014, increased and equalled PLN 5,508 thousand.

The Company did not recognize the entire balance of deferred tax assets related to tax losses. Deferred

tax assets arising from unutilized tax losses were recognized in the amount of PLN 438 thousand as at 30 June 2015 (as compared with PLN 693 thousand as at 31 December 2014), this is to the extent it is probable that future taxable income will enable writing such unutilized losses off. The utilization of those tax-deductible losses is possible till the end of 2015.

**6. Earnings per share**

Basic earnings per share are computed by dividing net profit for the reporting period attributable to shareholders of the Parent Company by the weighted average number of ordinary shares outstanding during that financial year. Both during the reporting period and the comparable period, there were no elements that would cause a dilution of basic earnings per share.

The table below presents net profits and numbers of shares used for the calculation of basic and diluted earnings per share:

	3 months ended 30 June 2015 (unaudited)	6 months ended 30 June 2015 (unaudited)	3 months ended 30 June 2014 (unaudited)	6 months ended 30 June 2014 (unaudited)
<b>Consolidated net profit for the reporting period attributable to Shareholders of ASEE S.A.</b>	<b>11,649</b>	<b>19,778</b>	<b>9,110</b>	<b>16,125</b>
Weighted average number of ordinary shares outstanding, used for calculation of basic earnings per share	51,894,251	51,894,251	51,894,251	51,894,251
<b>Consolidated earnings per share for the reporting period attributable to Shareholders of ASEE S.A. (in PLN):</b>				
Basic consolidated earnings per share from continuing operations for the reporting period	0.22	0.38	0.18	0.31
Diluted consolidated earnings per share from continuing operations for the reporting period	0.22	0.38	0.18	0.31

## 7. Information on dividends paid out or declared

The Ordinary General Meeting of Shareholders of ASEE S.A. seated in Rzeszów, by its resolution passed on 31 March 2015, decided that the net profit for the financial year 2014 amounting to PLN 1,500,897.86, as well as retained earnings for the financial year 2012 amounting to PLN 3,102,417.79 and retained earnings for the financial year 2013 amounting to PLN 17,655,282.61 shall be distributed as follows:

- a) the amount of PLN 1,500,897.86 from the net profit for the financial year 2014 shall be allocated to the reserve capital pursuant to art. 396 § 1 of the Commercial Companies Code;
- b) the amount of PLN 20,757,700.40 (of which: PLN 3,102,417.79 from the net profit for 2012, and PLN 17,655,282.61 from the net profit for 2013) shall be distributed among all the Company's shareholders through payment of a dividend amounting to PLN 0.40 per share.

The remaining portion of the net profit for 2013 amounting to PLN 2,825,183.42 as well as the remaining portion of the net profit for 2014 amounting to PLN 17,260,325.40 have been retained as undistributed prior years' earnings.

The Company's Ordinary General Meeting of Shareholders established 30 June 2015 as the dividend record date. The dividend was paid out on 15 July 2015. The number of shares eligible for dividend was 51,894,251.

## 8. Property, plant and equipment, and intangible assets

	Tangible assets	Intangible assets
<b>Net book value as at 1 January 2015</b>	<b>69,846</b>	<b>38,114</b>
Purchases	15,589	1,214
Capitalization of project development costs	-	2,580
Transfers from inventories	1,515	-
Finance lease liabilities	861	-
Depreciation/amortization charge (-)	(10,177)	(4,026)
Disposal and liquidation (-)	(663)	(18)
Exchange differences on translation of foreign operations (+/-)	(1,070)	(1,966)
<b>Net book value as at 30 June 2015</b>	<b>75,901</b>	<b>35,898</b>

	Tangible assets	Intangible assets
<b>Net book value as at 1 January 2014</b>	<b>33,897</b>	<b>32,772</b>
Purchases	32,630	2,111
Capitalization of project development costs	-	4,350
Transfers from inventories	2,375	-
Finance lease liabilities	382	-
Other increases/decreases (+/-)	(18)	22
Depreciation/amortization charge (-)	(7,207)	(3,124)
Disposal and liquidation (-)	(377)	(3)
Exchange differences on translation of foreign operations (+/-)	114	249
<b>Net book value as at 30 June 2014</b>	<b>61,796</b>	<b>36,377</b>

The higher value of tangible assets as at 30 June 2015 (PLN 71,086 thousand) and as at 31 December 2014 (PLN 69,846 thousand) resulted primarily from purchases of ATMs, POS terminals and other elements of infrastructure to be offered in the outsourcing model.

In the first half of 2015, capitalized costs of development projects amounted to PLN 2,580 thousand as compared with PLN 4,350 thousand in the comparable period of 2014.

Liabilities resulting from purchases of property, plant and equipment and intangible assets amounted to PLN 236 thousand as at 30 June 2015, as compared with PLN 311 thousand as at 31 December 2014.

## 9. Goodwill arising from consolidation

During the reporting period and comparable period, goodwill arising from consolidation changed as follows:

	30 June 2015 (unaudited)	30 June 2014 (unaudited)
<b>Goodwill from consolidation at the beginning of the period</b>	<b>498,113</b>	<b>491,656</b>
<b>Exchange differences on translation of goodwill in foreign subsidiaries (+/-)</b>	<b>(10,335)</b>	<b>3,725</b>
<b>Total book value at the end of period</b>	<b>487,778</b>	<b>495,381</b>

## Goodwill impairment testing

As at 31 December 2014, the Management Board of the Parent Company performed an impairment test on goodwill arising from the acquisition of subsidiaries. This task required making estimates of the value in use of cash-generating units to which goodwill is allocated. Estimation of the value in use involved determining the future cash flows expected to be generated by a cash-generating unit, as well as determining a discount rate which was subsequently used in the calculation of the net present value of those cash flows.

As at 30 June 2015, the Company verified its assumptions for the impairment test performed on goodwill as at 31 December 2014. In particular we checked whether the assumptions for financial results achieved by individual cash-generating units in 2014 were not materially different from their actual financial performance in the first half of 2015, and whether internal or external factors did not cause a deterioration of our financial forecasts for the next years.

As at 30 June 2015, ASEE S.A. performed an impairment test on goodwill allocated to the Systems Integration segment. The test was carried out because financial performance of this operating segment was weaker than expected.

The conducted test did not indicate a necessity to recognize any impairment charges on goodwill allocated to the Systems Integration segment.

The table below presents the key assumptions made for impairment testing of goodwill allocated to the Systems Integration segment:

	Discount rate applied in the model	Discount rate terminal	Sales revenue growth rate applied in the model	Sales revenue growth rate terminal
<b>30 June 2015</b>	8.9%	10.8%	3.5%	2.5%
<b>31 Dec. 2014</b>	8.5%	11.5%	7.0%	5.3%

In the case of goodwill allocated to the Systems Integration segment, the recoverable amount of goodwill would be equal to its carrying value if the discount rate applied in the model was changed by 1.9 pp (or by 3 pp as at 31 December 2014) with other assumptions remaining constant, or if the sales revenue growth rate was reduced by 1.0 pp (or by 1.7 pp as at 31 December 2013) with other assumptions remaining constant. The excess of the recoverable amount of goodwill allocated to the Systems Integration segment over its carrying value equalled PLN 52 million as at 30 June 2015 as compared with PLN 78 million as at 31 December 2014.

In the case of goodwill allocated to the segments of Banking Solutions and Payment Solutions, we have not detected any indications to perform impairment tests as at 30 June 2015.

In line with the Group's policy, goodwill allocated to all of our operating segments will be tested for impairment as at 31 December 2015, even if there are no indications of impairment.

## 10. Inventories

Inventories	30 June 2015 (unaudited)	31 Dec. 2014 (restated)
Goods for resale	21,800	16,731
Maintenance inventories	7,324	7,515
Write-down on inventories (-)	(8,003)	(7,907)
<b>21,121</b>	<b>16,339</b>	

The value of goods for resale increased in connection with projects carried out primarily in Croatia, Slovenia, and Romania.

## 11. Short-term receivables

Trade receivables	30 June 2015 (unaudited)	31 Dec. 2014 (restated)
Trade receivables, of which:	75,913	90,959
From related parties	405	1,048
From other entities	79,776	93,577
Allowance for trade receivables (-)	(4,268)	(3,666)
Receivables from uninvited deliveries, of which:	6,432	5,100
From related parties	-	-
From other entities	6,432	5,100
<b>82,345</b>	<b>96,059</b>	

Ageing of trade receivables	30 June 2015		31 Dec. 2014	
	amount	structure	amount	structure
Receivables not yet due	61,799	81.41%	74,477	81.88%
Receivables past-due up to 3 months	10,575	13.93%	12,641	13.90%
Receivables past-due over 3 months	3,539	4.66%	3,841	4.22%
	<b>75,913</b>	<b>100%</b>	<b>90,959</b>	<b>100.0%</b>

Other receivables	30 June 2015		31 Dec. 2014	
	amount	structure	amount	structure
Advance payments to other suppliers	2,624		1,390	
Security deposits receivable	159		154	
Other receivables	17		829	
	<b>2,800</b>		<b>2,373</b>	

Advance payments to other suppliers correspond to advances paid to subcontractors on account of the execution of contracts.

Other receivables disclosed both as at 30 June 2015 and 31 December 2014 include, among others, restricted cash amounting to PLN 141 thousand and PLN 293 thousand, respectively.

In addition, other receivables disclosed as at 30 June 2015 and 31 December 2014 include receivables from employees.

## 12. Financial assets

	30 June 2015	31 Dec. 2014
	(unaudited)	(restated)
<b>Financial assets available for sale:</b>	<b>129</b>	<b>126</b>
Shares in companies listed on regulated markets	109	106
Shares in companies not listed on regulated markets	20	20
<b>Loans granted:</b>	<b>436</b>	<b>59</b>
Loans granted to related parties	54	-
Loans granted to employees	57	59
Other	325	-
<b>Bank deposits:</b>	<b>7,620</b>	<b>2,693</b>
Deposits for 3 to 12 months	7,546	2,617
Deposits for over 12 months	74	76
<b>Financial assets carried at fair value through profit or loss:</b>	<b>3,387</b>	<b>-</b>
Investment fund units	3,387	-
Long-term	229	232
Short-term	11,343	2,646
	<b>11,572</b>	<b>2,878</b>

As at 30 June 2015, financial assets include bank cash deposits amounting to PLN 7,620 thousand held by ASEE S.A. and ASEE Macedonia. As at 31 December 2014, financial assets included bank cash deposits amounting to PLN 2,693 thousand held by ASEE Macedonia, ASEE Serbia, and ASEE Slovenia.

During the first half of 2015, outflows for bank deposits made amounted to PLN 9,800 thousand, whereas inflows from bank deposits withdrawn amounted to PLN 4,830 thousand.

As at 30 June 2015, financial assets carried at fair value through profit or loss included investment fund units with a value of PLN 3,387 thousand held by ASEE Macedonia.

During the first half of 2015, expenditures for the acquisition of investment fund units amounted to PLN 3,342 thousand.

The book values of financial assets held by the Group as at 30 June 2015 and 31 December 2014 did not significantly differ from their fair values.

## 13. Cash and short-term deposits

	30 June 2015	31 Dec. 2014
	(unaudited)	(restated)
Cash at bank and in hand	38,851	55,946
Short-term bank deposits	36,050	33,009
Cash equivalents	7	18
	<b>74,908</b>	<b>88,973</b>
<i>Interest accrued on cash and cash equivalents as at the balance sheet date</i>	(23)	(28)
<i>Overdraft facilities utilized for liquidity management</i>	(135)	(828)
<b>Cash and cash equivalents as disclosed in the cash flow statement</b>	<b>74,750</b>	<b>88,117</b>

## 14. Prepayments and accrued income

Long-term	30 June 2015	31 Dec. 2014
	(unaudited)	(restated)
Prepaid maintenance services and license fees	158	7
Prepaid rents	399	568
Other	48	-
	<b>605</b>	<b>575</b>
Short-term	30 June 2015	31 Dec. 2014
	(unaudited)	(restated)
Prepaid maintenance services and license fees	6,358	8,568
Prepaid insurance	564	328
Prepaid rents	699	907
Prepaid consulting services	775	422
Other prepaid services	654	351
Other	1,502	1,756
	<b>10,552</b>	<b>12,332</b>

Both as at 30 June 2015 and 31 December 2014, prepayments included primarily the costs of maintenance services amounting to PLN 6,358 thousand and PLN 8,568 thousand, respectively, that will be successively expensed in future periods.

## 15. Long-term and short-term financial liabilities

Long-term	30 June 2015 (unaudited)	31 Dec. 2014 (restated)
Finance lease liabilities	1,314	962 <b>1,314</b>

Both as at 30 June 2015 and 31 December 2014, long-term financial liabilities included just finance lease commitments.

Short-term	30 June 2015 (unaudited)	31 Dec. 2014 (restated)
Dividend payment liabilities	20,758	-
Finance lease liabilities	492	373
Liabilities for the acquisition of shares	1,820	1,850
Currency forward contracts	118	51
Other	46	-
	<b>23,234</b>	<b>2,274</b>

Both as at 30 June 2015 and 31 December 2014, liabilities for the acquisition of shares included the remaining portion of payment for the acquisition of 100% of shares in EŽR Croatia amounting to PLN 1,820 thousand and PLN 1,850 thousand, respectively.

## 16. Interest-bearing bank loans and borrowings

Effective interest rate %	Currency	Repayment date	Amounts drawn as at				
			30 June 2015 (unaudited)	long-term portion	short-term portion	31 Dec. 2014 (restated)	long-term portion
<b>BANK OVERDRAFT FACILITIES</b>							
fixed interest rate	MKD	30-06-2015	-	3	-	12	
fixed interest rate	MKD	30-06-2015	-	27	-	15	
3M EURIBOR + margin	EUR	31-03-2016	-	105	-	162	
3M EURIBOR + margin	PLN	11-02-2015	-	-	-	639	
<b>OTHER BANK LOANS</b>							
-	TRY	02-07-2016	-	369	-	20	
-	TRY	02-07-2016	-	148	-	164	
EURIBOR + margin	EUR	19-03-2016	-	1,338	460	1,792	
3M EURIBOR + margin	HRK/EUR	30-04-2019	9,951	3,013	11,940	2,559	
fixed interest rate	HRK/EUR	31-01-2015	-	-	-	21	
3M EURIBOR + margin	EUR	31-07-2017	1,556	566	1,581	1,155	
fixed interest rate	BAM	08-05-2017	502	177	514	364	
12M Treasury bonds + margin	HRK/EUR	30-11-2016	920	1,840	1,856	1,855	
12M EURIBOR + margin	HRK/EUR	31-03-2017	2,502	3,340	4,227	3,386	
fixed interest rate	RSD	28-01-2016	-	3,028	440	4,840	
1M EURIBOR + margin	EUR	18-12-2020	5,502	-	-	-	
1M EURIBOR + margin	EUR	31-05-2016	-	5,010	-	5,067	
			<b>20,933</b>	<b>18,964</b>	<b>21,018</b>	<b>22,051</b>	

Total proceeds from and repayments of bank loans disclosed in the statement of cash flows for the first half of 2015 amounted to PLN 5.6 million (proceeds) and PLN 7.8 million (repayments), respectively.

As at 30 June 2015, tangible assets with a book value of PLN 4,384 thousand as well as inventories with a book value of PLN 1,045 thousand served as security for bank loans. As at 30 June 2015, liabilities that were secured with such assets amounted to PLN 7,030 thousand, as compared with PLN 8,200 thousand as at 31 December 2014.

## 17. Short-term trade payables and other liabilities

Trade payables	30 June 2015 (unaudited)	31 Dec. 2014 (restated)
Trade payables, of which:	40,539	55,619
To related parties	198	200
To other entities	40,341	55,419
Liabilities for unvoiced deliveries; of which:	6,354	7,416
To related parties	-	-
To other entities	6,354	7,416
	<b>46,893</b>	<b>63,035</b>

The payment terms of the Group's liabilities range from 30 to 40 days on average.

Ageing of trade payables	30 June 2015 (unaudited)		31 Dec. 2014 (restated)	
	amount	structure	amount	structure
Liabilities due already, of which:				
- Liabilities past-due up to 3 months	10,025	24.73%	11,351	20.41%
- Liabilities past-due from 3 to 6 months	7,943	19.59%	9,943	17.88%
- Liabilities past-due over 6 months	1,244	3.07%	728	1.31%
Liabilities falling due within 3 months	838	2.07%	680	1.22%
Liabilities falling due within 3 to 12 months	29,869	73.68%	41,932	75.39%
Liabilities falling due after more than 12 months	645	1.59%	2273	4.09%
	-	0.00%	63	0.11%
	<b>40,539</b>	<b>100%</b>	<b>55,619</b>	<b>100%</b>

Other current liabilities	30 June 2015 (unaudited)		31 Dec. 2014 (restated)	
	amount	structure	amount	structure
Liabilities to employees relating to salaries	3,966		5,777	
Trade prepayments received	6,262		8,022	
Liabilities for purchases of tangible assets and intangible assets	236		311	
Other liabilities	248		676	
	<b>10,712</b>		<b>14,786</b>	

Current liabilities to the state and local budgets	30 June 2015 (unaudited)		31 Dec. 2014 (restated)	
	amount	structure	amount	structure
Value added tax	4,786		9,510	
Corporate income tax (CIT)	1,173		1,608	
Personal income tax (PIT)	707		1,482	
Social security payable	1,767		1,925	
Other	465		329	
	<b>8,898</b>		<b>14,854</b>	

## 18. Accruals and deferred income

Short-term accruals	30 June 2015 (unaudited)		31 Dec. 2014 (restated)	
	amount	structure	amount	structure
Accrual for unused holiday leaves	2,312		1,455	
Accrual for employee bonuses	13,456		11,606	
Other	46		-	
	<b>15,814</b>		<b>13,061</b>	

Long-term deferred income	30 June 2015 (unaudited)		31 Dec. 2014 (restated)	
	amount	structure	amount	structure
Prepaid maintenance services	-		11	
Grants for the development of assets	592		755	
Other	28		47	
	<b>620</b>		<b>813</b>	

Short-term deferred income	30 June 2015 (unaudited)	31 Dec. 2014 (restated)
Prepaid maintenance services	9,222	5,578
Prepaid implementation services	2,520	-
License fees	902	-
Grants for the development of assets	55	-
Other	443	1,455
	<b>13,142</b>	<b>7,033</b>

The balance of deferred income relates mainly to prepayments for services to be provided, such as support and maintenance services.

## 19. Contingent liabilities and receivables

Within its commercial activities ASEE Group uses bank guarantees, letters of credit, contract performance guarantees as well as tender deposits as forms of securing its business transactions with miscellaneous organizations, companies and administration bodies. As at 30 June 2015, the related contingent liabilities equalled PLN 36,507 thousand, while as at 31 December 2014 they amounted to PLN 29,707 thousand.

Assets serving as security for bank guarantee facilities:

Category of assets	Net value of assets		Amount of granted guarantee secured with assets	
	30 June 2015	31 Dec. 2014	30 June 2015	31 Dec. 2014
Trade receivables	4,497	104	4,118	4,254
Other receivables (restricted cash)	141	809	1,680	3,434
<b>Total</b>	<b>4,638</b>	<b>913</b>	<b>5,798</b>	<b>7,688</b>

## 20. Employment

Asseco Group workforce as at <sup>1)</sup>	30 June 2015 (unaudited)		31 Dec. 2014 (restated) <sup>1)</sup>	
	amount	structure	amount	structure
Management Board of the Parent Company*	4		4	
Management Boards of the Group companies	23		24	
Production departments	1,058		1,067	
Sales departments	145		153	
Administration departments	171		155	
	<b>1,401</b>		<b>1,403</b>	

\* Piotr Jeleński and Marcin Rulinicki serve in the Management Board of ASEE S.A. on the basis of employment contracts. The remaining members of the Company's Management Board perform their duties by assignment.

Numbers of employees in the Group companies as at	30 June 2015 (unaudited)		31 Dec. 2014 (restated)	
	amount	structure	amount	structure
ASEE S.A.	30		27	
ASEE Romania Group	153		148	
ASEE Serbia Group	475		461	
ASEE Croatia	236		250	
ASEE Kosovo Group	69		82	
ASEE Turkey	186		188	
ASEE Bulgaria	20		21	
ASEE B&H	46		46	
ASEE Macedonia	145		141	
ASEE Slovenia	29		28	
ASEE Montenegro	10		10	
ASEE Nestpay	2		1	
	<b>1,401</b>		<b>1,403</b>	

**21. Remuneration of Members of the Management Board and Supervisory Board of the Parent Company and its subsidiaries**

Total remuneration paid or payable to all members of the Management Boards and Supervisory Boards of the Parent Company as well as subsidiary and jointly controlled companies of Asseco South Eastern Europe Group in the 6-month periods ended 30 June 2015 and 30 June 2014 amounted to PLN 6,305 thousand and PLN 5,193 thousand, respectively.

**22. Information on related parties**

**Related party transactions**

The values of transactions conducted by ASEE Group with Asseco Poland S.A. (a shareholder with significant influence on the Group's operations) as well as with other related parties of Asseco Poland Group during the 6-month periods ended 30 June 2015 and 30 June 2014, as well as outstanding balances of receivables and liabilities arising from such transactions as at 30 June 2015 and 31 December 2014 are presented in the table below:

Related party	Sales to related parties	Purchases from related parties	Receivables from related parties	Liabilities to related parties
<b>Parties having significant influence over the Group:</b>				
2015	357	147	47	56
2014	503	163	416	46
<b>Other related parties:</b>				
2015	312	22	74	49
2014	573	56	552	107
<b>Associates:</b>				
2015	428	-	350	-
2014	283	-	129	-

**Transactions conducted with or through the Key Management Personnel (members of the Management Board and Supervisory Board) of Asseco South Eastern Europe S.A.**

The values of transactions conducted by ASEE Group with or through the Key Management Personnel (members of the Management Boards and Supervisory Boards) of the Group companies during the 6-month periods ended 30 June 2015 and 30 June 2014, as well as outstanding balances of receivables and liabilities arising from such transactions as at 30 June 2015 and 31 December 2014 are presented in the table below:

Related party	Sales to related parties	Purchases from related parties	Receivables from related parties	Liabilities to related parties
<b>Key Management Personnel (members of the Management Board and Supervisory Board) of ASEE S.A. or the Group companies:</b>				
2015	18	4,527	4	133

2014 74 6,025 4 63

Purchases from and sales to related parties presented in the table above are associated primarily with the rental of space and purchases or sales of hardware and services that were conducted by companies of ASEE Group with parties related through the Key Management Personnel or directly with the Key Management Personnel.

The figures disclosed in the table above include the following transactions concluded with or through the Key Management Personnel (members of the Management Board and Supervisory Board) of ASEE S.A.:

During the period of 6 months ended 30 June 2015, ASEE Serbia incurred space rental costs that were paid to its related parties MHM d.o.o., Beograd<sup>1</sup>, DM3 d.o.o., Beograd<sup>1</sup> and MiniInvest d.o.o., Beograd<sup>2</sup>, amounting in total to PLN 3,175 thousand, as compared with PLN 3,216 thousand incurred in the period of 6 months ended 30 June 2014.

During the period of 6 months ended 30 June 2015, ASEE Macedonia incurred space rental costs that were paid to its related party MPS d.o.o., Skopje<sup>3</sup>, amounting in total to PLN 278 thousand, as compared with PLN 298 thousand incurred in the period of 6 months ended 30 June 2014.

All the above-mentioned transactions were carried out on an arm's length basis.

Members of the Management Board and parties related through members of the Management Board and Supervisory Board of Asseco South Eastern Europe S.A. received dividends from ASEE S.A. in the total gross amount of PLN 2,029 thousand, as compared with PLN 1,983 thousand distributed in 2014. The above-stated amounts do not include dividends payable to Asseco Poland S.A.<sup>4</sup>.

<sup>1</sup> Mihail Petreski, Member of the Supervisory Board of ASEE S.A. is a shareholder in Liatris d.o.o. which as at 30 June 2015 held a 6.74% stake in ASEE S.A. (as at 31 December 2014: 7.40%). Mihail Petreski and Liatris d.o.o. hold 40% of shares in MHM d.o.o. as well as 50% of shares in DM3 d.o.o. Furthermore, President of the Management Board of ASEE S.A. holds indirectly a 15% stake in MHM d.o.o. through his wholly-owned Kompania Petyhorska d.o.o. Whereas, 20% of shares in MHM d.o.o. are held by I4 Invention d.o.o. which is also a shareholder in ASEE S.A. 100% of shares in I4 Invention d.o.o. are owned by Miodrag Mirčetić, Member of the Management Board of Asseco SEE d.o.o., Beograd and Member of the Management Board of ASEE S.A.;

<sup>2</sup> Miljan Mališ, Member of the Management Board of ASEE S.A. is a shareholder in the company Mini Invest d.o.o. which in turn is a shareholder in ASEE S.A.;

<sup>3</sup> Mihail Petreski, Member of the Supervisory Board of ASEE S.A. is the sole shareholder in MPS d.o.o., Skopje.

<sup>4</sup> Adam Góral, President of the Management Board of Asseco Poland S.A., acting as Chairman of the Supervisory Board of ASEE S.A., and Jacek Duch, Chairman of the Supervisory Board of Asseco Poland S.A., acting as Member of the Supervisory Board of ASEE S.A., are both shareholders in Asseco Poland S.A. which in turn is a shareholder in ASEE S.A.; as at 30 June 2015, Asseco Poland S.A. held 26,494,676 shares in ASEE S.A.

Such dividends have not yet been paid out till the balance sheet date, i.e. till 30 June 2015.

Until the date of approval of these interim condensed consolidated financial statements, ASEE S.A. has not received any information on any related party transactions conducted during the reporting period which would be, separately or jointly, deemed significant or would be carried out not on an arm's length basis.

### **23. Outsourcing contracts**

The Group implements a number of contracts for outsourcing of payment transaction processes. The total amounts of future minimum lease payments under such contracts have been estimated as follows:

Future minimum lease payments	30 June 2015 (audited)
(i) within 1 year	25,013
(ii) within 1 to 5 years	57,676
(iii) within more than 5 years	4,944
	<b>87,633</b>

### **24. Financial instruments**

During the period of 6 months ended 30 June 2015, the types of financial instruments held by the Group did not change in relation to those described in the annual consolidated financial statements of ASEE Group for the year 2014. There were also no changes in the classification of financial assets due to any changes in their intended use or any transfers between individual levels of the fair value hierarchy of financial instruments.

The book values of financial assets and liabilities held by the Group both as at 30 June 2015 and 31 December 2014 did not significantly differ from their fair values.

### **25. Capital management**

During the period of 6 months ended 30 June 2015 as well as in the period of 6 months ended 30 June 2014, the Group did not introduce any changes to its objectives, policies and processes adopted in the area of capital management.

### **26. Objectives and principles of financial risk management**

During the period of 6 months ended 30 June 2015, our financial risk exposure as well as objectives and principles adopted for financial risk management have not changed substantially in relation to those described in the annual consolidated financial statements of ASEE Group for the year 2014.

### **27. Significant events after the balance sheet date**

In the period from 30 June 2015 till the date of approval of these interim condensed consolidated financial statements, this is until 5 August 2015, we have not observed any significant events, the disclosure of which might significantly affect the assessment of human resources, assets and financial position of ASEE Group.

### **28. Significant events related to prior years**

Until the date of preparing these interim condensed financial statements, this is until 5 August 2015, we have not observed any significant events related to prior years, which have not but should have been included in our accounting books.



**INTERIM CONDENSED FINANCIAL STATEMENTS  
ASSECO SOUTH EASTERN EUROPE S.A.**

**FOR THE PERIOD OF 6 MONTHS  
ENDED 30 JUNE 2015  
INCLUDING THE REPORT OF  
INDEPENDENT CERTIFIED AUDITORS**

**Rzeszów, 5 August 2015**

**INTERIM CONDENSED FINANCIAL STATEMENTS  
ASSECO SOUTH EASTERN EUROPE S.A.  
FOR THE PERIOD OF 6 MONTHS ENDED 30 JUNE 2015**

**Table of contents**

	<b>Page</b>
FINANCIAL HIGHLIGHTS OF ASSECO SOUTH EASTERN EUROPE S.A. ....	28
INTERIM CONDENSED INCOME STATEMENT.....	29
INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION .....	30
INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY.....	31
INTERIM CONDENSED STATEMENT OF CASH FLOWS.....	31
SUPPLEMENTARY INFORMATION AND EXPLANATORY NOTES .....	32
I. GENERAL INFORMATION.....	32
II. ACCOUNTING POLICIES APPLIED WHEN PREPARING THE FINANCIAL STATEMENTS .....	32
1.Basis for the preparation of interim condensed financial statements.....	32
2.Compliance statement .....	32
3.Significant accounting policies .....	32
4.Changes in estimates.....	33
5.Professional judgement .....	33
6.Seasonal nature of business .....	33
7.Changes in the presentation methods .....	33
8.Changes in the accounting policies .....	34
9.Corrections of material errors .....	34
III. INFORMATION ON OPERATING SEGMENTS.....	34
IV. EXPLANATORY NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS.....	35
1.Holding activities – Dividend income and service revenues .....	35
2.Operating activities – Revenues from sales of IT services and software .....	35
3.Breakdown of operating costs .....	35
4.Other operating income and expenses .....	36
5.Financial income and expenses .....	36
6.Corporate income tax.....	37
7.Earnings per share .....	37
8.Information on dividends paid out or declared.....	38
9.Property, plant and equipment, and intangible assets .....	38
10. Investments in subsidiaries.....	38
11. Short-term and long-term receivables.....	40
12. Cash and short-term deposits.....	40
13. Financial assets .....	40
14. Trade payables, financial liabilities .....	41
15. Prepayments, accruals, deferred income and provisions .....	41
16. Information and explanations to the statement of cash flows .....	42
17. Information on related parties .....	42
18. Contingent liabilities.....	43
19. Capital management .....	43
20. Objectives and principles of financial risk management.....	43
21. Significant events after the balance sheet date .....	43
22. Significant events related to prior years.....	43

**INTERIM CONDENSED FINANCIAL STATEMENTS  
ASSECO SOUTH EASTERN EUROPE S.A.  
FOR THE PERIOD OF 6 MONTHS ENDED 30 JUNE 2015**

These interim condensed financial statements have been approved for publication by the Management Board of Asseco South Eastern Europe S.A.

Management Board of Asseco South Eastern Europe S.A.:

Miljan Mališ Member of the Management Board

Miodrag Mirčetić Member of the Management Board

**Marcin Rulnicki** **Member of the Management Board**

**FINANCIAL HIGHLIGHTS OF ASSECO SOUTH EASTERN EUROPE S.A.**

	6 months ended 30 June 2015 (unaudited)	6 months ended 30 June 2014 (unaudited)	6 months ended 30 June 2015 (unaudited)	6 months ended 30 June 2014 (unaudited)
	PLN'000	PLN'000	EUR'000	EUR'000
I.	Revenues from holding activities	26,791	18,227	6,480
II.	Revenues from operating activities	3,923	3,278	949
III.	Operating profit	24,032	14,591	5,813
IV.	Pre-tax profit	25,376	14,864	6,138
V.	Net profit for the reporting period	<b>24,105</b>	<b>14,443</b>	<b>5,831</b>
VI.	Net cash provided by (used in) operating activities	18,129	15,469	4,385
VII.	Net cash provided by (used in) investing activities	(15,116)	(1,910)	(3,656)
VIII.	Net cash provided by (used in) financing activities	5,442	-	1,316
IX.	Cash and cash equivalents at the end of period	16,362	16,512	3,901
X.	Basic earnings per ordinary share for the reporting period (in PLN/EUR)	0.46	0.28	0.11
XI.	Diluted earnings per ordinary share for the reporting period (in PLN/EUR)	0.46	0.28	0.11

The financial highlights disclosed in these interim condensed financial statements were translated into euros (EUR) in the following way:

- items of the interim condensed income statement and statement of cash flows have been translated into EUR at the arithmetic average of mid exchange rates as published by the National Bank of Poland and in effect on the last day of each month. These exchange rates were as follows:
  - for the period from 1 January 2015 to 30 June 2015: EUR 1 = PLN 4.1341
  - for the period from 1 January 2014 to 30 June 2014: EUR 1 = PLN 4.1784
- the Company's cash and cash equivalents as at the end of the reporting period and the comparable period of the previous year have been translated into EUR at the mid exchange rates as published by the National Bank of Poland. These exchange rates were as follows:
  - exchange rate effective on 30 June 2015: EUR 1 = PLN 4.1944
  - exchange rate effective on 30 June 2014: EUR 1 = PLN 4.1609

**INTERIM CONDENSED INCOME STATEMENT**

	Note	3 months ended 30 June 2015 (unaudited)	6 months ended 30 June 2015 (unaudited)	3 months ended 30 June 2014 (unaudited)	6 months ended 30 June 2014 (unaudited)
<b>Holding activities</b>	1	<b>17,561</b>	<b>26,791</b>	<b>11,628</b>	<b>18,227</b>
Dividend income		15,455	22,294	9,172	13,553
Revenues from sales of services		2,106	4,497	2,456	4,674
<b>Operating activities</b>	2	<b>2,007</b>	<b>3,923</b>	<b>1,807</b>	<b>3,278</b>
Revenues from sales of IT services and software		2,007	3,923	1,807	3,278
<b>Total sales revenues</b>		<b>19,568</b>	<b>30,714</b>	<b>13,435</b>	<b>21,505</b>
Cost of sales (-)	3	(2,596)	(5,721)	(3,148)	(5,587)
<b>Gross profit on sales</b>		<b>16,972</b>	<b>24,993</b>	<b>10,287</b>	<b>15,918</b>
Selling costs (-)	3	(844)	(1,516)	(629)	(1,344)
General and administrative expenses (-)	3	(21)	(42)	-	-
<b>Net profit on sales</b>		<b>16,107</b>	<b>23,435</b>	<b>9,658</b>	<b>14,574</b>
Other operating income	4	5	921	10	29
Other operating expenses (-)	4	(324)	(324)	(12)	(12)
<b>Operating profit</b>		<b>15,788</b>	<b>24,032</b>	<b>9,656</b>	<b>14,591</b>
Financial income	5	412	1,577	233	393
Financial expenses (-)	5	(309)	(233)	(71)	(120)
<b>Pre-tax profit</b>		<b>15,891</b>	<b>25,376</b>	<b>9,818</b>	<b>14,864</b>
Corporate income tax (current and deferred tax expense)	6	(500)	(1,271)	(167)	(421)
<b>Net profit for the reporting period</b>		<b>15,391</b>	<b>24,105</b>	<b>9,651</b>	<b>14,443</b>

**Earnings per share for the reporting period (in PLN):**

Basic earnings per share from continuing operations for the reporting period	2	0.30	0.46	0.19	0.28
Diluted earnings per share from continuing operations for the reporting period	2	0.30	0.46	0.19	0.28

**ASSECO SOUTH EASTERN EUROPE S.A.**  
**INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME**  
**ASSECO SOUTH EASTERN EUROPE S.A.**

	Note	3 months ended 30 June 2015 (unaudited)	6 months ended 30 June 2015 (unaudited)	3 months ended 30 June 2014 (unaudited)	6 months ended 30 June 2014 (unaudited)
<b>Net profit for the reporting period</b>		<b>15,391</b>	<b>24,105</b>	<b>9,651</b>	<b>14,443</b>
<b>Other comprehensive income</b>		-	-	-	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE REPORTING PERIOD</b>		<b>15,391</b>	<b>24,105</b>	<b>9,651</b>	<b>14,443</b>

**INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION**  
**ASSECO SOUTH EASTERN EUROPE S.A.**

<b>ASSETS</b>	<b>Note</b>	<b>30 June 2015</b> (unaudited)	<b>31 Dec. 2014</b> (restated)
<b>Non-current assets</b>			
Property, plant and equipment	9	420	514
Goodwill arising from business combinations	9	4,567	4,567
Intangible assets	9	119	161
Investments in subsidiaries	10	588,566	588,566
Deferred tax assets		435	997
Long-term financial assets	13	2,936	-
Other long-term receivables	11	7,680	6,590
Long-term prepayments and accrued income	15	-	7
<b>Current assets</b>		<b>42,301</b>	<b>16,716</b>
Inventories		3	2
Prepayments and accrued income	15	1,279	1,450
Trade receivables	11	2,632	1,740
Other short-term receivables	11	5,737	1,755
Short-term financial assets	13	16,288	3,862
Cash and short-term deposits	12	16,362	7,907
<b>TOTAL ASSETS</b>		<b>647,024</b>	<b>618,118</b>

**INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION**  
**ASSECO SOUTH EASTERN EUROPE S.A.**

<b>EQUITY AND LIABILITIES</b>	<b>Note</b>	<b>30 June 2015</b> (unaudited)	<b>31 Dec. 2014</b> (restated)
<b>Equity</b>			
Share capital		518,942	518,942
Share premium		38,825	38,825
Retained earnings and current net profit		58,210	54,863
<b>Total equity</b>		<b>615,977</b>	<b>612,630</b>
<b>Non-current liabilities</b>			
Long-term deferred income	15	-	11
Interest-bearing bank loans and borrowings	14	5,502	-
<b>Current liabilities</b>		<b>25,545</b>	<b>5,477</b>
Trade payables	14	342	2,108
Liabilities to the state and local budgets		139	155
Financial liabilities	14	22,696	1,901
Other liabilities		8	131
Deferred income	15	1,288	466
Accruals	15	964	575
Short-term provisions	15	108	141
<b>TOTAL LIABILITIES</b>		<b>31,047</b>	<b>5,488</b>
<b>TOTAL EQUITY AND LIABILITIES</b>			
		<b>647,024</b>	<b>618,118</b>

**INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY**  
**ASSECO SOUTH EASTERN EUROPE S.A.**

for 6 months ended 30 June 2015, for 12 months ended 31 December 2014, and for 6 months ended 30 June 2014

	Share capital	Share premium	Retained earnings (deficit) and current net profit	Total equity
<b>As at 1 January 2015</b>	<b>518,942</b>	<b>38,825</b>	<b>54,863</b>	<b>612,630</b>
Net profit for the reporting period	-	-	24,105	<b>24,105</b>
<b>Total comprehensive income for the reporting period</b>	<b>-</b>	<b>-</b>	<b>24,105</b>	<b>24,105</b>
Dividends			(20,758)	<b>(20,758)</b>
<b>As at 30 June 2015 (unaudited)</b>	<b>518,942</b>	<b>38,825</b>	<b>58,210</b>	<b>615,977</b>
<b>As at 1 January 2014</b>	<b>518,942</b>	<b>38,825</b>	<b>52,708</b>	<b>610,475</b>
Net profit for the reporting period	-	-	18,761	<b>18,761</b>
<b>Total comprehensive income for the reporting period</b>	<b>-</b>	<b>-</b>	<b>18,761</b>	<b>18,761</b>
Dividends	-	-	(16,606)	<b>(16,606)</b>
<b>As at 31 December 2014 (audited)</b>	<b>518,942</b>	<b>38,825</b>	<b>54,863</b>	<b>612,630</b>
<b>As at 1 January 2014</b>	<b>518,942</b>	<b>38,825</b>	<b>52,708</b>	<b>610,475</b>
Net profit for the reporting period	-	-	14,443	<b>14,443</b>
<b>Total comprehensive income for the reporting period</b>	<b>-</b>	<b>-</b>	<b>14,443</b>	<b>14,443</b>
Dividends			(16,606)	<b>(16,606)</b>
<b>As at 30 June 2014 (unaudited)</b>	<b>518,942</b>	<b>38,825</b>	<b>50,545</b>	<b>608,312</b>

**INTERIM CONDENSED STATEMENT OF CASH FLOWS**  
**ASSECO SOUTH EASTERN EUROPE S.A.**

	Note	6 months ended 30 June 2015 (unaudited)	6 months ended 30 June 2014 (unaudited)
<b>Cash flows – operating activities</b>			
Pre-tax profit		25,376	14,864
<b>Total adjustments:</b>		<b>(24,714)</b>	<b>(12,825)</b>
Depreciation and amortization		143	135
Change in inventories		(1)	2
Change in receivables	16	(1,002)	2,567
Change in liabilities	16	(1,868)	(2,880)
Change in prepayments, accruals and provisions	16	1,345	1,050
Interest income and expenses		(244)	(49)
Gain (loss) on foreign exchange differences		(821)	(190)
Gain (loss) on investing activities		(22,294)	(13,461)
Other		28	1
<b>Selected operating cash flows</b>		<b>17,467</b>	<b>13,430</b>
Disposal of shares in subsidiaries	16	-	230
Dividends received	16	17,467	13,200
<b>Net cash generated from operating activities</b>		<b>18,129</b>	<b>15,469</b>
Corporate income tax recovered (paid)		-	-
<b>Net cash provided by (used in) operating activities</b>		<b>18,129</b>	<b>15,469</b>
<b>Cash flows – investing activities</b>			
Acquisition of property, plant and equipment and intangible assets		(6)	(104)
Disposal of property, plant and equipment		1	31
Disposal of financial assets carried at fair value through profit or loss		-	65
Acquisition of financial assets carried at fair value through profit or loss		(70)	-
Bank deposits withdrawn	13	2,300	1,000
Bank deposits made	13	(9,800)	(2,500)
Loans granted	13	(8,776)	(419)
Loans collected	13	1,155	-
Interest received	13	80	17
<b>Net cash provided by (used in) investing activities</b>		<b>(15,116)</b>	<b>(1,910)</b>
<b>Cash flows – financing activities</b>			
Proceeds from bank loans and borrowings		9,132	-
Repayments of bank loans and borrowings		(3,663)	-
Interest paid on bank loans and borrowings		(27)	-
<b>Net cash provided by (used in) financing activities</b>		<b>5,442</b>	<b>-</b>
Net increase (decrease) in cash and cash equivalents		8,455	13,559
Net foreign exchange differences		-	3
<b>Cash and cash equivalents as at 1 January</b>	12	7,907	2,950
<b>Cash and cash equivalents as at 30 June</b>	12	<b>16,362</b>	<b>16,512</b>

**SUPPLEMENTARY INFORMATION AND EXPLANATORY NOTES**

**I. GENERAL INFORMATION**

Asseco South Eastern Europe S.A. (the "Company", "Issuer", "Entity", "ASEE S.A.") seated at 14 Olchowa St., Rzeszów, Poland, was established on 10 April 2007. The Company has been listed on the main market of the Warsaw Stock Exchange since 28 October 2009.

In accordance with its Articles of Association, the Company is engaged in holding operations as well as sales of services and software. The Company's business profile and product portfolio have been described in detail in its annual report for the year 2014, which is available at the Issuer's website: [www.asseco.com/see](http://www.asseco.com/see).

ASEE S.A. is the Parent Company of Asseco South Eastern Europe Group ("ASEE Group"). The Parent Company shall operate within the territory of the Republic of Poland as well as abroad. The period of the Company's operations is indefinite.

The parent of ASEE S.A. is Asseco Poland S.A. (the higher-level parent company). As at 30 June 2015, Asseco Poland S.A. held a 51.06% stake in the share capital of ASEE S.A.

These interim condensed financial statements cover the period of 6 months ended 30 June 2015 and contain comparable data for the period of 6 months ended 30 June 2014 in the case of the income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows, as well as comparable data as at 31 December 2014 in the case of the statement of financial position. The income statement as well as notes to the income statement cover the period of 3 months ended 30 June 2015 and contain comparable data for the period of 3 months ended 30 June 2014; these data have not been reviewed by certified auditors.

The Company draws up its financial statements in accordance with the International Financial Reporting Standards ("IFRS") as endorsed by the European Union for the current and comparable period.

These interim condensed financial statements have been approved for publication by the Management Board on 5 August 2015.

The Company also prepared the interim consolidated financial statements of Asseco South Eastern Europe Group for the period of 6 months ended 30 June 2015, which have been approved for publication by the Management Board on 5 August 2015.

**II. ACCOUNTING POLICIES APPLIED WHEN PREPARING THE FINANCIAL STATEMENTS**

**1. Basis for the preparation of interim condensed financial statements**

These interim condensed financial statements were prepared in accordance with the historical cost convention, except for derivative instruments.

The presentation currency of these interim condensed financial statements is the Polish zloty (PLN), and all figures are presented in thousands of zlotys (PLN'000), unless stated otherwise.

These interim condensed financial statements were prepared on the going-concern basis, assuming the Company will continue its business activities in the foreseeable future.

Till the date of approving these financial statements, we have not observed any circumstances that would threaten the Company's ability to continue as a going concern in the period of at least 12 months following the balance sheet date.

**2. Compliance statement**

These interim condensed financial statements have been prepared in conformity with the International Accounting Standard 34 Interim Financial Reporting as endorsed by the European Union ("IAS 34").

**3. Significant accounting policies**

The significant accounting policies adopted by ASEE S.A. have been described in its financial statements for the year ended 31 December 2014, which were published on 19 February 2015 and are available at the Issuer's website: [www.asseco.com/see](http://www.asseco.com/see). These interim condensed financial statements do not include all the information and disclosures required for annual financial statements and therefore they should be read together with the Company's financial statements for the year ended 31 December 2014.

The accounting policies adopted in the preparation of this report are consistent with those followed when preparing the annual financial statements for the year ended 31 December 2014, except for the adoption of amendments to standards and new interpretations effective for annual periods beginning on or after 1 January 2015:

- Amendments to IFRS 3 *Business Combinations*  
The amendments clarify that not only joint ventures but also joint arrangements are excluded from the scope of IFRS 3, with the only exception applicable to the preparation of financial statements of a joint arrangement. This amendment shall be applied prospectively.
- Amendments to IFRS 13 *Fair Value Measurement*  
The amendments clarify that the investment portfolio exception applies not only to financial assets and financial liabilities, but also to other contracts accounted for within the scope of IAS 39. These amendments shall be applied prospectively.
- Amendments to IAS 40 *Investment property*  
The definition of additional services provided in IAS 40 differentiates between investment property and owner-occupied property (classified as property, plant and equipment). This amendment shall be applied prospectively and it clarifies that IFRS 3, and not the definition of additional services provided in IAS 40, shall be used to determine whether a specific transaction is the acquisition of an asset or a business.
- IFRIC 21 *Levies*  
The interpretation clarifies that an entity shall recognize a liability for a levy imposed by a government upon the occurrence of an obligating event, this is the activity that triggers the payment of the levy in accordance with relevant laws or regulations. If a levy is payable upon reaching a minimum threshold, the liability shall not be recognized until that minimum threshold has been met or exceeded. IFRIC 21 shall be applied retrospectively.

Adoption of the above-mentioned amendments had no impact on the Group's financial position or the results of its operations.

#### **4. Changes in estimates**

In the period of 6 months ended 30 June 2015, our approach to making estimates was not subject to any substantial change.

#### **5. Professional judgement**

Preparation of financial statements in accordance with IFRS requires making estimates and assumptions which have an impact on the data disclosed in such financial statements.

Despite the estimates and assumptions have been adopted based on the Company's management best knowledge about the current activities and occurrences, the actual results may differ from those anticipated.

The main areas which, in the process of applying the accounting policies, were largely subject to the management's professional judgement remained unchanged as compared with their description presented in the annual financial statements for the year 2014.

The changes of estimates as at 30 June 2015 included the calculation of deferred income tax as described in note 6, preparation of impairment tests for investments as described in note 10, as well as the estimated value of accruals for employee benefits as disclosed in note 15. The estimated value of our deferred payment for the acquisition of shares in EŽR Croatia remained unchanged.

#### **6. Seasonal nature of business**

Because we are a holding company, the distribution of our financial results during a fiscal year depends largely on the dates when our subsidiaries adopt resolutions to pay out dividends.

#### **7. Changes in the presentation methods**

As of 1 January 2015, the Group has changed the method of classification of certain receivables and liabilities, and in particular the way of recognizing receivables/liabilities as related to trade or other activities. Starting from 1 January 2015, the Group decided that all receivables resulting in the recognition of sales revenues shall be presented trade receivables. Hence, as of 1 January 2015, trade receivables include the following categories:

- receivables from issued invoices,
- receivables from uninvoiced deliveries,
- receivables from valuation of IT contracts.

Until 31 December 2014, the two last-mentioned categories used to be presented by the Group in "other receivables".

Trade receivables	31 Dec. 2014 (restated)	Change	31 Dec. 2014 (audited)
Invoiced deliveries, of which			
from:			
- <i>related parties</i>	1,699	-	1,699
- <i>other entities</i>	843	-	843
- <i>other entities</i>	856	-	856
Uninvoiced deliveries, of which			
from:			
- <i>related parties</i>	41	41	-
- <i>other entities</i>	13	13	-
- <i>other entities</i>	28	28	-
	<b>1,740</b>	<b>41</b>	<b>1,699</b>

Other receivables	31 Dec. 2014 (restated)	Change	31 Dec. 2014 (audited)
Receivables from disposal of shares	8,207	-	8,207
Other receivables	138	(41)	179
	<b>8,345</b>	<b>(41)</b>	<b>8,386</b>
- short-term	1,755	(41)	1,796
- long-term	6,590	-	6,590

Changes in the presentation of receivables resulted in the necessity of introducing analogous changes in the methods of presentation of liabilities. This involved in particular the following reclassifications:

- liabilities arising from valuation of IT contracts, liabilities for uninvoiced deliveries, as well as provisions for other costs have been, as of 1 January 2015, classified as trade payables;
- provisions for losses on IT contracts as well as provision for the audit of financial statements have been reclassified as "Provisions".

Short-term provisions	31 Dec. 2014 (restated)	Change	31 Dec. 2014 (audited)
Provision for the audit of financial statements	141	141	-
	<b>141</b>	<b>141</b>	<b>-</b>
- short-term	141	141	-
- long-term	-	-	-

### III. INFORMATION ON OPERATING SEGMENTS

The Company's operating activities comprise holding operations as well as sales of IT services and software.

The Holding Activities segment includes revenues and expenses related to managing the Group. The segment's revenues comprise primarily dividends and sales of business and technical support services to the Company's subsidiaries.

Short-term trade payables	31 Dec. 2014 (restated)	Change	31 Dec. 2014 (audited)
Invoiced deliveries, of which			
from:			
- <i>related parties</i>	1,481	-	1,481
- <i>other entities</i>	168	-	168
- <i>other entities</i>	1,313	-	1,313
Uninvoiced deliveries, of which			
from:			
- <i>related parties</i>	627	627	-
- <i>other entities</i>	-	-	-
	<b>2,108</b>	<b>627</b>	<b>1,481</b>

Short-term accruals	31 Dec. 2014 (restated)	Change	31 Dec. 2014 (audited)
Provision for the audit of financial statements	-	(141)	141
Unused holiday leaves	153	-	153
Salaries	422	-	422
Other expenses	-	(627)	627
	<b>575</b>	<b>(768)</b>	<b>1,343</b>

### 8. Changes in the accounting policies

In the reporting period, the Group has not introduced any changes to the applied accounting policies, except for adopting the amendments to standards and new interpretations effective for annual periods beginning on or after 1 January 2015.

### 9. Corrections of material errors

In the reporting period, no events occurred that would require making corrections of any misstatements.

The IT Services segment includes revenues and expenses related to our information technology operations in two areas: authentication solutions (banking) and voice automation solutions (systems integration).

For the period of 6 months ended 30 June 2015 in PLN thousands (unaudited)	Holding activities	IT services	Total
Dividend income	22,294	-	<b>22,294</b>
Revenues from sales of services	4,497	-	<b>4,497</b>
Revenues from sales of IT services and software	-	3,923	<b>3,923</b>
<b>Total sales revenues</b>	<b>26,791</b>	<b>3,923</b>	<b>30,714</b>
<b>Gross profit on sales</b>	<b>23,800</b>	<b>1,193</b>	<b>24,993</b>
Selling costs (-)	(954)	(562)	<b>(1,516)</b>
General and administrative expenses (-)	-	(42)	<b>(42)</b>
<b>Net profit on sales</b>	<b>22,846</b>	<b>589</b>	<b>23,435</b>

For the period of 6 months ended 30 June 2014 in PLN thousands (unaudited)	Holding activities	IT services	Total
Dividend income	13,553	-	<b>13,553</b>
Revenues from sales of services	4,674	-	<b>4,674</b>
Revenues from sales of IT services and software	-	3,278	<b>3,278</b>
<b>Total sales revenues</b>	<b>18,227</b>	<b>3,278</b>	<b>21,505</b>
<b>Gross profit on sales</b>	<b>15,521</b>	<b>397</b>	<b>15,918</b>
Selling costs (-)	(720)	(624)	<b>(1,344)</b>
General and administrative expenses (-)	-	-	-
<b>Net profit on sales</b>	<b>14,801</b>	<b>(227)</b>	<b>14,574</b>

#### IV. EXPLANATORY NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

##### 1. Holding activities – Dividend income and service revenues

Operating revenues from holding activities comprise dividends received from subsidiaries as well as revenues from the sale of consulting, business and technical support services which are provided to subsidiaries of ASEE Group. As the Company is primarily engaged in holding

operations, the above-mentioned categories of revenues are presented in operating activities.

Cash flows generated from dividends received in the first half of 2015 amounted to PLN 17,467 thousand, as compared with PLN 13,200 thousand received in the first half of 2014.

	3 months ended 30 June 2015 (unaudited)	6 months ended 30 June 2015 (unaudited)	3 months ended 30 June 2014 (unaudited)	6 months ended 30 June 2014 (unaudited)
Dividends from related parties	15,455	22,294	9,172	13,553
Revenues from sales of services	2,106	4,497	2,456	4,674
	<b>17,561</b>	<b>26,791</b>	<b>11,628</b>	<b>18,227</b>

##### 2. Operating activities – Revenues from sales of IT services and software

	3 months ended 30 June 2015 (unaudited)	6 months ended 30 June 2015 (unaudited)	3 months ended 30 June 2014 (unaudited)	6 months ended 30 June 2014 (unaudited)
Revenues from sales of software and IT services	2,007	3,923	1,807	3,278

Both in the period of 6 months ended 30 June 2015 and in the comparable period, operating activities included revenues from licensing fees as well as

from maintenance, implementation and consulting services.

##### 3. Breakdown of operating costs

	3 months ended 30 June 2015 (unaudited)	6 months ended 30 June 2015 (unaudited)	3 months ended 30 June 2014 (unaudited)	6 months ended 30 June 2014 (unaudited)
Employee benefits (-)	(1,445)	(2,483)	(977)	(2,282)
Third-party services and outsourcing of employees (-)	(528)	(1,905)	(1,111)	(1,822)
Depreciation and amortization (-)	(70)	(143)	(73)	(135)
Maintenance costs of property and business cars (-)	(147)	(277)	(131)	(266)
Business trips (-)	(137)	(253)	(159)	(230)
Advertising (-)	(13)	(18)	(47)	(62)
Other expenses (-)	(125)	(236)	(23)	(45)
	<b>(2,465)</b>	<b>(5,315)</b>	<b>(2,521)</b>	<b>(4,842)</b>
<b>Cost of sales, of which (-)</b>	<b>(2,596)</b>	<b>(5,721)</b>	<b>(3,148)</b>	<b>(5,587)</b>
Cost of goods and third-party services sold (-)	(996)	(1,964)	(1,256)	(2,089)
Production costs (-)	(1,600)	(3,757)	(1,892)	(3,498)
Selling costs (-)	(844)	(1,516)	(629)	(1,344)
General and administrative expenses (-)	(21)	(42)	-	-

**4. Other operating income and expenses**

Other operating income	3 months ended 30 June 2015 (unaudited)	6 months ended 30 June 2015 (unaudited)	3 months ended 30 June 2014 (unaudited)	6 months ended 30 June 2014 (unaudited)
Income from disposal of property, plant and equipment	1	1	-	15
Other operating income	4	920	10	14
	<b>5</b>	<b>921</b>	<b>10</b>	<b>29</b>

Other operating income for the period of 6 months ended 30 June 2015 includes primarily the reimbursement of excessive tax paid on civil law

transactions for the years 2008–2010, amounting to PLN 915 thousand.

Other operating expenses	3 months ended 30 June 2015 (unaudited)	6 months ended 30 June 2015 (unaudited)	3 months ended 30 June 2014 (unaudited)	6 months ended 30 June 2014 (unaudited)
Liquidation of other assets	-	-	(1)	(1)
Other operating expenses	(324)	(324)	(11)	(11)
	<b>(324)</b>	<b>(324)</b>	<b>(12)</b>	<b>(12)</b>

Other operating expenses in the period of 6 months ended 30 June 2015 include primarily expenses

related to the reimbursement of tax paid on civil law transactions, amounting to PLN 320 thousand.

**5. Financial income and expenses**

Financial income	3 months ended 30 June 2015 (unaudited)	6 months ended 30 June 2015 (unaudited)	3 months ended 30 June 2014 (unaudited)	6 months ended 30 June 2014 (unaudited)
Positive foreign exchange differences	60	613	107	180
Interest received on cash at bank	14	38	44	48
Interest received on loans granted and cash deposits	184	244	18	46
Commissions received on guarantees granted	55	81	24	45
Other interest income	-	502	-	-
Gain on valuation of derivative instruments	99	99	40	74
	<b>412</b>	<b>1,577</b>	<b>233</b>	<b>393</b>

Financial income for the period of 6 months ended 30 June 2015 includes interest income of PLN 502 thousand related to the reimbursement of excessive tax paid on civil law transactions for the years 2008–2010, positive foreign exchange differences amounting to PLN 613 thousand, as well as interest received on loans granted and cash deposits amounting to PLN 244 thousand.

Financial income for the period of 6 months ended 30 June 2014 includes primarily positive foreign exchange differences amounting to PLN 180 thousand, interest received on cash at bank amounting to PLN 48 thousand, interest received on loans granted and cash deposits amounting to PLN 46 thousand, as well as gain on valuation of derivative instruments amounting to PLN 74 thousand.

Financial expenses	3 months ended 30 June 2015 (unaudited)	6 months ended 30 June 2015 (unaudited)	3 months ended 30 June 2014 (unaudited)	6 months ended 30 June 2014 (unaudited)
Loss on valuation of derivative instruments (-)	(282)	(195)	(68)	(117)
Interest paid on bank loans and borrowings (-)	(22)	(27)	-	-
Commissions paid on bank guarantees (-)	(5)	(11)	(3)	(3)
	<b>(309)</b>	<b>(233)</b>	<b>(71)</b>	<b>(120)</b>

Financial expenses recognized in the period of 6 months ended 30 June 2015 include primarily a loss on valuation of currency forward contracts amounting to PLN 195 thousand as well as interest paid on bank loans, borrowings and bank guarantees used.

Financial expenses recognized in the period of 6 months ended 30 June 2014 include primarily a loss on valuation of currency forward contracts amounting to PLN 117 thousand.

## 6. Corporate income tax

The main charges on pre-tax profit resulting from corporate income tax (current and deferred portions):

	3 months ended 30 June 2015 (unaudited)	6 months ended 30 June 2015 (unaudited)	3 months ended 30 June 2014 (unaudited)	6 months ended 30 June 2014 (unaudited)
Current portion of income tax	(448)	(707)	(262)	(393)
Deferred income tax related to origination and reversal of temporary differences	(52)	(564)	95	(28)
<b>Income tax expense as disclosed in the income statement</b>	<b>(500)</b>	<b>(1,271)</b>	<b>(167)</b>	<b>(421)</b>

In the period of 6 months ended 30 June 2015, income tax expense resulted from withholding tax on dividends from our subsidiaries which amounted to PLN 707 thousand.

The effective tax rate for the period of 6 months ended 30 June 2015 equalled 5.64%. The difference between our effective tax rate and the statutory corporate income tax rate of 19% resulted primarily from permanent differences such as tax-exempt dividends (PLN 1,301 thousand), deduction of taxes already paid by our subsidiaries on their dividend distributions (PLN 958 thousand), tax-exempt income (reimbursement of excessive tax paid on civil law transactions, PLN 269 thousand), and changes in our estimates of tax-deductible losses included in deferred tax assets (impact on the effective tax rate amounted to approx. PLN 255 thousand).

The effective tax rate for the period of 6 months ended 30 June 2015 equalled 2.83%. The difference between our effective tax rate and the statutory corporate income tax rate of 19% resulted primarily from permanent differences such as tax-exempt dividends (PLN 5,000 thousand), deduction of taxes

already paid by our subsidiaries on their dividend distributions (PLN 962 thousand), and changes in our estimates of tax-deductible losses included in deferred tax assets (impact on the effective tax rate amounted to approx. PLN 438 thousand).

The Company's tax-deductible losses not accounted for in deferred tax assets amounted to PLN 37,338 thousand as at 30 June 2015, as compared with PLN 54,573 thousand as at 31 December 2014. The estimated amount of losses not included in deferred tax assets in the period of 6 months ended 30 June 2014, increased and equalled PLN 5,508 thousand.

The Company did not recognize the entire balance of deferred tax assets related to tax losses. Deferred tax assets arising from unutilized tax losses were recognized in the amount of PLN 438 thousand as at 30 June 2015 (as compared with PLN 693 thousand as at 31 December 2014), this is to the extent it is probable that future taxable income will enable writing such unutilized losses off. The utilization of those tax-deductible losses is possible till the end of 2015.

## 7. Earnings per share

Basic earnings per share are computed by dividing net profit for the reporting period by the weighted average number of ordinary shares outstanding during that financial year. Both during the reporting period and the comparable period, there were no

elements that would cause a dilution of basic earnings per share.

The table below presents net profits and numbers of shares used for the calculation of basic and diluted earnings per share:

	3 months ended 30 June 2015 (unaudited)	6 months ended 30 June 2015 (unaudited)	3 months ended 30 June 2014 (unaudited)	6 months ended 30 June 2014 (unaudited)
<b>Net profit for the reporting period</b>	<b>15,391</b>	<b>24,105</b>	<b>9,651</b>	<b>14,443</b>
Weighted average number of ordinary shares outstanding, used for calculation of basic earnings per share	51,894,251	51,894,251	51,894,251	51,894,251
<b>Earnings per share for the reporting period (in PLN):</b>				
Basic earnings per share	0.30	0.46	0.19	0.28
Diluted earnings per share	0.30	0.46	0.19	0.28

## 8. Information on dividends paid out or declared

The Ordinary General Meeting of Shareholders of ASEE S.A. seated in Rzeszów, by its resolution passed on 31 March 2015, decided that the net profit for the financial year 2014 amounting to PLN 1,500,897.86, as well as retained earnings for the financial year 2012 amounting to PLN 3,102,417.79 and retained earnings for the financial year 2013 amounting to PLN 17,655,282.61 shall be distributed as follows:

- a) the amount of PLN 1,500,897.86 from the net profit for the financial year 2014 shall be allocated to the reserve capital pursuant to art. 396 § 1 of the Commercial Companies Code;
- b) the amount of PLN 20,757,700.40 (of which: PLN 3,102,417.79 from the net profit for 2012, and

## 9. Property, plant and equipment, and intangible assets

	Tangible assets	Goodwill arising from business combinations	Intangible assets
<b>Net book value as at 1 January 2015</b>	<b>514</b>	<b>4,567</b>	<b>161</b>
Purchases	5	-	1
Disposal and liquidation (-)	(8)	-	-
Depreciation/amortization charge (-)	(100)	-	(43)
Depreciation/amortization charge (+) – disposal and liquidation	9	-	-
<b>Net book value as at 30 June 2015</b>	<b>420</b>	<b>4,567</b>	<b>119</b>

In the period of 6 months ended 30 June 2015, the book values of property, plant and equipment, and intangible assets changed basically due to depreciation and amortization charges recognized in this period.

As at 30 June 2015, we had no liabilities resulting from purchases of property, plant and equipment. As at 30 June 2014, such liabilities amounted to PLN 13 thousand.

## 10. Investments in subsidiaries

Full name of company	Short name	30 June 2015 (unaudited)	31 Dec. 2014 (restated)
Asseco SEE d.o.o., (Sarajevo)	ASEE B&H	25,830	25,830
Asseco SEE o.o.d. (Sofia)	ASEE Bulgaria	4,265	4,265
Asseco SEE d.o.o. (Zagreb)	ASEE Croatia	118,167	118,167
Asseco SEE Sh.p.k. (Pristina)	ASEE Kosovo	39,241	39,241
Asseco SEE DOEL, (Skopje)	ASEE Macedonia	98,480	98,480
Asseco SEE s.r.l., (Bucharest)	ASEE Romania	147,485	147,485
Asseco SEE d.o.o., (Beograd)	ASEE Serbia	80,297	80,297
Asseco SEE d.o.o., (Ljubljana)	ASEE Slovenia	2,332	2,332
Asseco SEE Teknoloji A.Ş. (Istanbul)	ASEE Turkey	71,460	71,460
Asseco SEE d.o.o., (Podgorica)	ASEE Montenegro	1,009	1,009
		<b>588,566</b>	<b>588,566</b>

Subsidiaries of ASEE S.A. are primarily engaged in the development of IT solutions for the financial, industrial, and public administration sectors, settlement of on-line payments, as well as in the provision of card payment solutions and integration

services. The Company's investments in subsidiaries have been described in detail in its annual report for the year 2014, which was published on 18 February 2015 and is available at the Issuer's website: [www.asseco.com/see](http://www.asseco.com/see).

### Impairment testing of investments

At every balance sheet date, ASEE S.A. carries out a valuation of its assets concerning possible impairment. Should there be any indications of impairment, the Company shall estimate the recoverable amount of an investment. If the carrying value of an asset exceeds its recoverable amount, impairment charges are made in order to reduce such carrying value to the level of recoverable amount.

As at 30 June 2015, we estimated the recoverable amounts of our investments in the companies of ASEE Bulgaria, ASEE Croatia and ASEE Romania because their actual results generated in the first half of 2015 were considerably weaker than budgeted. Moreover, we estimated the value of our investment in ASEE Kosovo because our calculations made as at 31 December 2014 showed that the recoverable amount of this investment was equal to its carrying value, and that a reasonable modification of our assumptions might result in an impairment charge.

The recoverable amount of investments in the above-mentioned subsidiaries as at 30 June 2015 was determined on the basis of their value in use, applying the forecasted free cash flow to firm (FCFF) based on financial forecasts approved by our management personnel. The residual value was determined assuming no growth of the achieved margins after the forecast period.

The discount rate applied to determine the present value of expected future cash flows was equivalent to the estimated weighted average cost of capital for each individual company.

Particular components of the discount rate were determined taking into account the market values of risk-free interest rates, the beta coefficient that was leveraged to reflect the market debt-equity structure, as well as the expected market yield.

The conducted impairment tests did not indicate a necessity to recognize any impairment charges on our investments in the above-mentioned companies.

The table below presents the basic assumptions concerning the discount rate and sales revenue growth as adopted in the testing model:

30 June 2015	Discount rate	Sales revenue growth rate
	applied in the model	applied in the model
ASEE Bulgaria	8.18%	18.31%
ASEE Croatia	8.85%	9.20%
ASEE Kosovo	9.75%	6.43%
ASEE Romania	7.33%	3.19%

In the case of ASEE Bulgaria, the recoverable amount of this investment would be equal to its carrying value if the revenue growth rate applied in the model was changed by 1.9 pp with other assumptions remaining constant. The recoverable amount of our investment in ASEE Bulgaria exceeds its carrying value by PLN 4.5 million.

In the case of ASEE Croatia, the recoverable amount of this investment would be equal to its carrying value if the discount rate applied in the model was changed by 0.7 pp with other assumptions remaining constant, or if the adopted revenue growth rate was changed by 0.6 pp with other assumptions remaining constant. The recoverable amount of our investment in ASEE Croatia exceeds its carrying value by PLN 10.1 million.

In the case of ASEE Kosovo, the recoverable amount of this investment would be equal to its carrying value if the discount rate applied in the model was changed by 0.5 pp with other assumptions remaining constant, or if the adopted revenue growth rate was changed by 0.5 pp with other assumptions remaining constant. The recoverable amount of our investment in ASEE Kosovo exceeds its carrying value by PLN 1.8 million.

In the case of ASEE Romania, the recoverable amount of this investment would be equal to its carrying value if the discount rate applied in the model was changed by 0.7 pp with other assumptions remaining constant, or if the adopted revenue growth rate was changed by 0.5 pp with other assumptions remaining constant. The recoverable amount of our investment in ASEE Romania exceeds its carrying value by PLN 13.4 million.

No indications of impairment were observed in respect of our investments in other subsidiaries.

## 11. Short-term and long-term receivables

Trade receivables	30 June 2015 (unaudited)	31 Dec. 2014 (restated)
Invoiced deliveries, of which from:	472	1,699
- related parties	29	843
- other entities	443	856
Uninvoiced deliveries, of which from:	2,160	41
- related parties	2,023	13
- other entities	137	28
	<b>2,632</b>	<b>1,740</b>

Receivables from related parties, as presented herein, resulted from sales of consulting, business and technical support services to subsidiaries of ASEE Group for the amount of PLN 2,039 thousand, as well as from sales of maintenance and consulting services to Asseco Poland S.A. for the amount of PLN 13 thousand. As at 31 December 2014, receivables from ASEE Group companies amounted to PLN 487 thousand, while receivables outstanding under transactions conducted with Asseco Poland S.A. amounted to PLN 369 thousand.

In the period of 6 months ended 30 June 2015, our sales to Asseco Poland S.A. amounted to PLN 338

thousand, as compared with PLN 566 thousand in the comparable period.

Other receivables	30 June 2015 (unaudited)	31 Dec. 2014 (restated)
Receivables from disposal of shares	8,809	8,207
Receivables from dividends	4,360	-
Other receivables	248	138
	<b>13,417</b>	<b>8,345</b>
- short-term	5,737	1,755
- long-term	7,680	6,590

As at 30 June 2015, receivables from disposal of shares resulted from the sale of shares in Sigma Turkey and amounted to PLN 8,809 thousand (of which PLN 7,680 thousand is presented in long-term receivables and PLN 1,129 thousand in short-term receivables). As at 31 December 2014, receivables from disposal of shares resulted from the sale of shares in Sigma Turkey and amounted to PLN 8,207 thousand (of which PLN 6,590 thousand is presented in long-term receivables and PLN 1,617 thousand in short-term receivables).

## 12. Cash and short-term deposits

	30 June 2015 (unaudited)	31 Dec. 2014 (restated)
Cash at bank and in hand	2,427	1,476
Short-term bank deposits	13,935	6,431
	<b>16,362</b>	<b>7,907</b>

## 13. Financial assets

Financial assets	1 January 2015	Granted / Made	Repaid / Withdrawn	Interest accrued	Interest repaid	Foreign exchange differences	30 June 2015
<b>Loans, of which receivable from:</b>	<b>3,862</b>	<b>8,776</b>	<b>(1,155)</b>	<b>191</b>	<b>(65)</b>	<b>77</b>	<b>11,686</b>
ASEE Macedonia	-	-	-	55	-	3	58
ASEE Croatia	-	2,526	-	23	-	39	2,588
ASEE Turkey	-	2,955	-	2	-	56	3,013
ASEE Slovenia		3,295	(409)	51	(32)	48	2,953
ASEE Montenegro	3,002		(664)	46	(18)	(54)	2,312
ASEE Bulgaria	860		(82)	14	(15)	(15)	762
long-term short-term	-	2,872	-	-	-	64	2,936
	3,862	5,904	(1,155)	191	(65)	13	8,750
<b>Deposits for 3 to 12 months</b>	<b>-</b>	<b>9,800</b>	<b>(2,300)</b>	<b>53</b>	<b>(15)</b>	<b>-</b>	<b>7,538</b>
	<b>3,862</b>	<b>18,576</b>	<b>(3,455)</b>	<b>244</b>	<b>(80)</b>	<b>77</b>	<b>16,288</b>

The book values of financial assets held by the Company as at 30 June 2015 and 31 December

2014 did not significantly differ from their fair values.

**14. Trade payables, financial liabilities**

Short-term trade payables	30 June 2015 (unaudited)	31 Dec. 2014 (restated)
Invoiced deliveries, of which from:		
-related parties	342	1,481
-other entities	80	168
	262	1,313
Uninvoiced deliveries, of which from:		
-related parties	-	627
-other entities	-	-
	342	627
		<b>2,108</b>

As at 30 June 2015, the outstanding balance of trade payables arising from transactions conducted with Asseco Poland S.A. was PLN 3 thousand, as compared with PLN 44 thousand as at 31 December 2014. Other related party liabilities, amounting to PLN 77 thousand as at 30 June 2015 and PLN 124 thousand as at 31 December 2014, included payables to subsidiaries arising from purchases we made in order to provide IT services.

In the period of 6 months ended 30 June 2015, our purchases from Asseco Poland S.A. amounted to PLN 108 thousand, as compared with PLN 150 thousand in the period of 6 months ended 30 June 2014.

The table below discloses the Company's trade payables as at 30 June 2015 and 31 December 2014, by maturity period based on contractual undiscounted payments.

Ageing of trade payables	30 June 2015 (unaudited)		31 Dec. 2014 (restated)	
	Amount	Structure	Amount	Structure
Liabilities due already	127	37.13%	875	41.51%
Liabilities falling due within 3 months	215	62.87%	658	31.21%
Liabilities falling due after more than 3 months	-	-	575	27.28%
	<b>342</b>	<b>100.00%</b>	<b>2,108</b>	<b>100.00%</b>

Financial liabilities	30 June 2015 (unaudited)	31 Dec. 2014 (restated)
Dividend payment liabilities	20,758	-
Currency forward contracts	118	51
Liabilities for the acquisition of shares	1,820	1,850
Interest-bearing bank loans and borrowings	5,502	-
	<b>28,198</b>	<b>1,901</b>
- short-term	22,696	1,901
- long-term	5,502	-

Dividend payment liabilities reported as at 30 June 2015 comprised dividends payable to shareholders of ASEE S.A.

Financial liabilities for the acquisition of shares represent the outstanding portion of payment for shares acquired in EŽR Croatia. As at 30 June 2015 and 31 December 2014, this liability amounted to

PLN 1,820 thousand and PLN 1,850 thousand, respectively.

Liabilities under interest-bearing bank loans and borrowings resulted from a bank credit facility provided by ING Bank Śląski for the period of 2 years (till 19 December 2016) and up to the amount of EUR 9 million. This liability shall be repaid in quarterly instalments over the period from 31 December 2016 till 19 December 2020. Interest will be payable on the amount of loan actually drawn and shall be based on the 1M EURIBOR rate plus margin. Repayment of the loan to the bank is secured by sureties furnished by our subsidiaries as well as by the assignment of the amounts receivable under loans granted to our subsidiaries. As at 30 June 2015, our liability under this loan facility amounted to PLN 5,502 thousand. As at 31 December 2014, we had no such liability.

**15. Prepayments, accruals, deferred income and provisions**

Prepayments	30 June 2015 (unaudited)	31 Dec. 2014 (restated)
Prepaid maintenance services and license fees	1,180	1,403
Prepaid insurance	27	18
Other	72	36
	<b>1,279</b>	<b>1,457</b>
- short-term	1,279	1,450
- long-term	-	7
Short-term provisions	30 June 2015 (unaudited)	31 Dec. 2014 (restated)
Provision for the audit of financial statements	108	141
- short-term	108	141
- long-term	-	-
Accruals	30 June 2015 (unaudited)	31 Dec. 2014 (restated)
Accrual for unused holiday leaves	238	153
Accrual for salaries	495	422
Other expenses	231	-
	<b>964</b>	<b>575</b>
- short-term	964	575
- long-term	-	-

Provisions and accruals disclosed both as at 30 June 2015 and 31 December 2014, comprised the provision for the audit of financial statements, the accrual for salaries along with payroll overheads to be paid out in future periods that resulted from bonus schemes applied by ASEE S.A., as well as the accrual for unused holiday leaves.

Deferred income	30 June 2015 (unaudited)	31 Dec. 2014 (restated)
Prepaid maintenance services	1,226	477
Other	62	-
	<b>1,288</b>	<b>477</b>
- short-term	1,288	466
- long-term	-	11

The balance of deferred income relates to prepayments for maintenance services to be provided.

## 16. Information and explanations to the statement of cash flows

The table below presents items comprising changes in working capital as disclosed in the statement of cash flows:

Changes in working capital	6 months ended 30 June 2015 (unaudited)	6 months ended 30 June 2014 (unaudited)
Change in inventories	(1)	2
Change in receivables	(1,002)	2,567
Change in liabilities	(1,868)	(2,880)
Change in prepayments, accruals and provisions	1,345	1,050
	<b>(1,526)</b>	<b>739</b>

The following tables present the reconciliation between the balance sheet changes in working capital and the changes that affect operating cash flows as reported in the statement of cash flows:

Changes in working capital	6 months ended 30 June 2015 (unaudited)	6 months ended 30 June 2014 (unaudited)
<b>Changes in liabilities as per the balance sheet</b>	<b>18,890</b>	<b>13,795</b>
Change in liabilities arising from company acquisitions	-	(44)
Valuation of forward contracts	-	(12)
Liabilities for purchases of tangible assets	-	(13)
Dividends payable	(20,758)	(16,606)
<b>Total changes affecting operating cash flows</b>	<b>(1,868)</b>	<b>(2,880)</b>

Changes in working capital	6 months ended 30 June 2015 (unaudited)	6 months ended 30 June 2014 (unaudited)
<b>Changes in receivables as per the balance sheet</b>	<b>(5,964)</b>	<b>2,706</b>
Disposal of shares in Sigma	-	(230)
Disposal of shares in Sigma - foreign exchange differences	602	91
Receivables from dividends	4,360	-
<b>Total changes affecting operating cash flows</b>	<b>(1,002)</b>	<b>2,567</b>

The table below discloses the amounts of dividend income received by ASEE S.A. from its subsidiaries:

Dividend income received	6 months ended 30 June 2015 (unaudited)	6 months ended 30 June 2014 (unaudited)
ASEE Serbia	6,164	1,250
ASEE Croatia	2,490	830

ASEE Romania	-	4,262
ASEE Kosovo	1,546	636
ASEE Macedonia	6,223	4,140
ASEE B&H	1,044	2,082
	<b>17,467</b>	<b>13,200</b>

Disposal of shares in subsidiaries	6 months ended 30 June 2015 (unaudited)	6 months ended 30 June 2014 (unaudited)
SIGMA Turkey	-	230
	-	<b>230</b>

In the period of 6 months ended 30 June 2014, proceeds from disposal of shares in subsidiaries amounted to PLN 230 thousand and were received from the sale of a 38.22% stake of shares in Sigma Turkey to ASEE Turkey.

## 17. Information on related parties

### Related party transactions

The total values of transactions conducted with our related parties during the 6-month periods ended 30 June 2015 and 30 June 2014, as well as outstanding balances of receivables and liabilities arising from such transactions as at 30 June 2015 and 31 December 2014 are presented in the table below:

Related party	Sales to related parties	Purchases from related parties	Receivables from related parties	Liabilities to related parties
---------------	-----------------------------	--------------------------------------	----------------------------------------	--------------------------------------

#### Parent company:

Asseco Poland S.A.

2015	338	108	13	3
2014	566	150	570	13

#### Subsidiaries:

2015	4,010	263	2,039	77
2014	4,421	589	1,372	256

### Transactions conducted with or through the Key Management Personnel (members of the Management Board and Supervisory Board) of Asseco South Eastern Europe S.A.

Members of the Management Board and parties related through members of the Management Board and Supervisory Board of Asseco South Eastern Europe S.A. received dividends from ASEE S.A. in the total gross amount of PLN 2,029 thousand, as compared with PLN 1,983 thousand distributed in 2014. The above-stated amounts do not include dividends payable to Asseco Poland S.A.<sup>5</sup>. The dividend was paid out on 15 July 2015.

<sup>5</sup> Adam Góral, President of the Management Board of Asseco Poland S.A., acting as Chairman of the Supervisory Board of ASEE S.A., and Jacek Duch, Chairman of the Supervisory Board of Asseco Poland S.A., acting as Member of the Supervisory Board of ASEE S.A., are both shareholders in Asseco Poland S.A. which in turn is a shareholder in ASEE S.A.; as at 30 June 2015, Asseco Poland S.A. held 26,494,676 shares in ASEE S.A.

During the 6-month periods ended 30 June 2015 and 30 June 2014, ASEE S.A. did not conduct any significant transactions with the Key Management Personnel nor with any parties related through the Key Management Personnel.

Until the date of approval of these interim condensed financial statements, ASEE S.A. has not received any information on any related party transactions conducted during the reporting period which would be, separately or jointly, deemed significant or would be carried out not on an arm's length basis.

Guarantees and sureties	30 June 2015		Date of expiration	31 Dec. 2014		Date of expiration
	PLN'000	in thousands currency		PLN'000	in thousands currency	
<b>Bank loans</b>	<b>10,887</b>			<b>13,539</b>		
- ASEE Croatia	10,048	18,200	HRK 31.05.2017	10,130	18,200	HRK 31.05.2017
- ASEE Kosovo	839	200	EUR 20.08.2015	852	200	EUR 20.08.2015
- ASEE Slovenia	-	-	- 01.04.2015	1,705	400	EUR 31.07.2017
- ASEE Slovenia	-	-	- 31.03.2015	852	200	EUR 04.04.2015
<b>Guarantee facilities</b>	<b>2,097</b>			<b>2,131</b>		
- ASEE Kosovo	839	200	EUR 20.08.2015	852	200	EUR 20.08.2015
- ASEE Kosovo	1,258	300	EUR 20.08.2017	1,279	300	EUR 20.08.2017
<b>Guarantees for due performance of contracts</b>	<b>8,745</b>			<b>682</b>		
- ASEE Serbia	7,697	1,835	EUR 31.05.2017	-	-	-
- ASEE Slovenia	419	100	EUR 15.07.2019	426	100	EUR 15.07.2019
- ASEE Slovenia	252	60	EUR 31.01.2020	256	60	EUR 31.01.2020
- ASEE Slovenia	377	90	EUR 05.05.2020	-	-	-
<b>Total guarantees and sureties</b>	<b>21,729</b>			<b>16,352</b>		

From the beginning of 2015, ASEE Slovenia has used a line of credit granted by its parent company ASEE S.A., which is secured under separate terms and conditions. Therefore, the guarantees of bank loans presented for ASEE Slovenia as at 31 December 2014 have already expired.

All of the granted guarantees constitute off-balance-sheet items. They have been provided on an arm's length basis.

The Company had no other contingent liabilities both as at 30 June 2015 and 31 December 2014.

## 19. Capital management

During the period of 6 months ended 30 June 2015 as well as in the period of 6 months ended 30 June 2014, the Group did not introduce any changes to its objectives, policies and processes adopted in the area of capital management.

## 20. Objectives and principles of financial risk management

During the period of 6 months ended 30 June 2015, our financial risk exposure as well as objectives and principles adopted for financial risk management have not changed substantially in relation to those described in the annual financial statements of ASEE S.A. for the year 2014.

## 18. Contingent liabilities

As at 30 June 2015, the Company had a liability amounting to PLN 1,820 thousand resulting from a contingent payment for the acquisition of shares in EŽR Croatia, which shall depend on the financial results of that company. As at 31 December 2014, this liability amounted to PLN 1,850 thousand.

The Company granted the following guarantees and sureties:

## 21. Significant events after the balance sheet date

In the period from 30 June 2015 till the date of approval of these interim condensed financial statements, this is until 5 August 2015, we have not observed any significant events, the disclosure of which might significantly affect the assessment of human resources, assets and financial position of ASEE S.A.

## 22. Significant events related to prior years

Until the date of preparing these interim condensed financial statements, this is until 5 August 2015, we have not observed any significant events related to prior years, which have not but should have been included in our accounting books.